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Daily Report

East Asia

FBIS-EAS-93-173
Thursday
9 September 1993

Daily Report
East Asia

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IAEA To Discuss DPRK Nuclear Issue 21 Sep

SK0809112593 Seoul YONHAP in English 1117 GMT 8 Sep 93

[Text] Berlin, Sept. 8 (YONHAP)—The International Atomic Energy Agency (IAEA) has decided to discuss North Korea's nuclear issues at its regular Board of Governors meeting opening on Sept. 21.

IAEA spokesman Hans Meyer said on Wednesday the IAEA had received and checked a report from an IAEA delegation which has been to Pyongyang last week.

"Our Director-General Hans Blix will report to the coming Board of Governors meeting on the negotiations our delegation had in North Korea last week," he said.

The spokesman said that the IAEA had made no decision as yet on whether to report the contents of the recent negotiations to the the United Nations Security Council.

The matter will be decided through discussion with IAEA member countries, he said.

During its visit to Pyongyang last week, the IAEA delegation formally proposed that second-round talks be held in Vienna. "But, North Korea has made no response so far," he said.

The IAEA always keeps its door open toward North Korea and is all prepared to sit face to face again with North Korea, spokesman Meyer added.

To Contact UN Security Council

SK0809010993 Seoul TONG-A ILBO in Korean 8 Sep 93 p 2

[By reporter Choe Maeng-ho from Berlin]

[Text] The International Atomic Energy Agency [IAEA] will officially report to the UN Security Council concerning the North Korean nuclear issue after its regular governors meeting on 21 September, because North Korea did not show any intention of resuming nuclear inspections.

Thus it is expected that the settlement of the North Korean nuclear issue will be determined by the outcome of future North Korea-U.S. talks.

After being briefed by the negotiation delegation that was in Pyongyang last week about North Korea's attitude and the negotiations process, the IAEA is reportedly postponing a final decision on the North Korean nuclear issue, and formulating a basic principle in dealing with North Korea.

Concerning this, IAEA spokesman Hans Mayer said: "There has been no progress in negotiations with North Korea. The IAEA sincerely regrets that there have been no changes in North Korea's attitude, and will refer this issue to the UN Security Council."

He also said: "The IAEA delegation proposed that a second round of nuclear negotiations be held at IAEA headquarters as soon as possible but, after receiving no response from the North Korean side, returned to Vienna."

Japan

Hosokawa Urged Not To Back NPT Extension

OW0609094793 Tokyo KYODO in English 0931 GMT 6 Sep 93

[Text] Hiroshima, Sept. 6 KYODO—A group of 150 academics urged Prime Minister Morihiro Hosokawa on Monday to fight moves to indefinitely extend the Nuclear Non-Proliferation Treaty (NPT) beyond 1995.

The university professors, lawyers, and pacifists from across Japan sent a petition to Hosokawa asking the premier to retract earlier pledges of support for the idea.

In his inaugural address in late August, Hosokawa said he would support the indefinite extension of the NPT.

"The nonproliferation of weapons of mass destruction is an urgent security imperative for Japan and the whole of the global community," he said in his August address.

In the petition, the group expressed concern that the concept allows the five nuclear powers—the United States, Britain, France, China and Russia—to possess nuclear weapons indefinitely.

"Implementing a treaty to ban nuclear weapons is the most urgent global issue. Japan, which experienced nuclear attacks and has non- nuclear policies, should play the leading role in achieving a total removal of nuclear arms," the petition said.

Of the 158 NPT signatories, only about 50 countries have expressed support for its indefinite extension, far short of the majority necessary to enact the amendment.

Three preliminary meetings on the NPT, an international accord to check the spread of nuclear weapons and related technology, are set for January and May 1994 and January 1995. They will be followed by a global meeting at U.N. Headquarters in New York from April 17 to May 12 in 1995.

Tokyo Plans To Work on Indefinite NPT Extension

OW0509092093 Tokyo KYODO in English 0906 GMT 5 Sep 93

[Text] Tokyo, Sept. 5 KYODO—Japan plans to ask nonaligned nations to back an indefinite extension of the nuclear Non-Proliferation Treaty (NPT) beyond 1995, Foreign Ministry sources said Sunday [5 September]. Prime Minister Morihiro Hosokawa, in a speech at the United Nations General Assembly session later this month, will refer to Japan's support for the plan, the sources said.

Out of the 158 NPT signatories, only about 50 countries have expressed support for its indefinite extension, far short of a majority needed to achieve the idea, the sources said. Most nonaligned countries, mainly Asian and African nations, have not yet made their position clear toward the proposed extension, arguing the matter should be discussed in connection with nuclear disarmament and banning nuclear tests.

Australia, Britain, Canada, France, Germany, Russia, South Korea, the United States and Japan are among the countries which have expressed support for the indefinite extension of the NPT. To realize the indefinite extension, support from at least 80 countries is needed, the sources said.

The Foreign Ministry said nuclear nonproliferation is essential to the peace and safety of Japan and the rest of the world. It also considers unrealistic a plan to revise the treaty to remove discrimination among nuclear and nonnuclear powers.

Three preliminary meetings on the NPT extension are set for January and May 1994 and January 1995, followed by an international meeting at the U.N. Headquarters in New York from April 17 to May 12 in 1995.

'Framework' Talks in Washington Viewed

OW0909000893 Tokyo KYODO in English 2347 GMT 8 Sep 93

[Text] Washington, Sept. 8 KYODO—Japan and the United States hold the first round of subcabinet talks in Washington Thursday [9 September] under the so-called Japan-U.S. framework agreement to tackle the trade imbalance between the two countries.

President Bill Clinton concluded the trade accord in July with former Japanese Prime Minister Kiichi Miyazawa, and the inauguration of a new coalition government in Tokyo has raised U.S. expectations of quicker Japanese action to open its markets.

The new Japanese prime minister, Morihiro Hosokawa, has vowed to honor the terms of the agreement, which sets a one-year deadline for resolving a host of market-access issues in bilateral trade.

The U.S. has targeted five major areas in which Washington insists that structural features of the Japanese economy act as barriers to imports.

These include Japanese Government procurement practices, regulatory restrictions on financial and insurance services, and market-access issues in automobile trade and other industry sectors.

Under a Japanese initiative, the two countries are also committed under the framework accord to promote cooperation on the environment, aids and other global issues as part of their "new economic partnership."

Japanese sources said the current round of talks in Washington will address two separate issues.

The Japanese and Americans—headed by Deputy Foreign Minister Koichiro Matsuura and Bowman Cutter, deputy presidential assistant for economic policy—will meet at the White House for an informal session Thursday morning to discuss the future agenda of trade negotiations.

In the afternoon, the negotiators will move over to the State Department for a formal subcabinet meeting to address issues of global cooperation, Japanese sources said.

The two sides have already agreed to hold a follow-up session later this month in Hawaii, where substantive trade issues will be placed on the table.

Japanese sources said the Hawaii meeting, which is expected to begin on September 19, will probably tackle such specific market- access issues as insurance and government procurement practices.

Japan had offered to discuss specific trade issues such as automobile and auto parts trade in the current talks in Washington, but the U.S. decided to hold these off until the two sides meet in Hawaii, informed sources said.

The biggest point of contention is expected to center on how to set up so-called "objective criteria" as the yardstick of success under the "framework" trade agreement.

While the framework accord itself does not specify any numerical targets, senior U.S. officials such as chief U.S. trade negotiator Mickey Kantor have insisted they must involve measurable benchmarks to gauge how foreign imports fare in the Japanese market.

Matsuura Cited on Trade Talks

OW0909133793 Tokyo NHK General Television Network in Japanese 1000 GMT 9 Sep 93

[Report on interview with Deputy Foreign Minister Koichiro Matsuura by NHK correspondent Tsuruo Mochizuki at unidentified airport in Washington; date not given; from "NHK News" program—recorded]

[Text] [Mochizuki] The Japan-U.S. comprehensive economic talks will begin with an informal meeting between Deputy Foreign Minister Koichiro Matsuura and Vice Minister Sozaburo Okamatsu of the Ministry of International Trade and Industry, and Mr. Cutter, deputy assistant to the U.S. president.

At the talks, the U.S. side is expected to press Japan to take financial and monetary measures to expand domestic demand and open the Japanese market in order to cut Japan's huge current account surplus. In response, the Japanese side is expected to explain to the U.S. side that the Hosokawa government will soon work out a package of additional measures to stimulate the Japanese economy and relax 60 items of bureaucratic regulations.

[Matsuura] Both Japan and the United States have agreed to draw a conclusion on government procurement, auto parts, and insurance within four months, and I intend to focus our discussions on those individual trade sectors.

First Round of Talks Begins

OW0909143393 Tokyo KYODO in English 1424 GMT 9 Sep 93

[Text] Washington, Sept. 9 KYODO—Japan and the United States began the first round of subcabinet talks in Washington on Thursday [9 September] under the so-called Japan-U.S. framework agreement to tackle the trade imbalance between the two countries.

The Japanese and U.S. negotiators, headed by Deputy Foreign Minister Koichiro Matsuura and Bowman Cutter, deputy presidential assistant for economic policy, met at the White House for an informal session Thursday morning to discuss future agenda on trade negotiations.

In the afternoon, the officials will move over to the state department for a formal meeting to address issues of global cooperation, Japanese sources said.

President Bill Clinton concluded the trade accord in July with former Japanese Prime Minister Kiichi Miyazawa and the inauguration of a new coalition government in Tokyo has raised U.S. expectations for quicker Japanese action to open its markets.

Japanese Prime Minister Morihiro Hosokawa has vowed to honor the terms of the agreement, which sets a one-year deadline for resolving a host of market-access issues in bilateral trade.

The U.S. has targeted five major areas where Washington insists the structure of the Japanese economy acts as barriers to imports.

Among them are the practice of Japanese Government procurement, regulatory restrictions on financial and insurance services, and market-access issues in automobile trade and other industry sectors.

On a Japanese initiative, the two countries are also committed under the framework accord to promote cooperation on the environment, aids and other global issues as part of their "new economic partnership."

The two sides have already agreed to hold a follow-up session later this month in Hawaii, where substantive trade issues will be put on the table.

Japanese sources said the Hawaii meeting, which is expected to begin September 19, will probably tackle such specific market-access issues as insurance and government procurement practices.

Japan had offered to discuss specific trade issues such as automobile and auto parts trade in the Washington talks but the U.S. decided to hold them off until the two sides meet in Hawaii, informed sources said.

The biggest point of contention is expected to center on how to set up "objective criteria" as a yardstick of success under the framework.

While the framework accord itself does not specify any numerical targets, senior U.S. officials such as chief U.S. trade negotiator Mickey Kantor have insisted they would involve measurable benchmarks to gauge how foreign imports fare in the Japanese market.

Hosokawa Voices Hopes for Clinton Meeting

OW0909055793 Tokyo KYODO in English 0543 GMT 9 Sep 93

[Text] Tokyo, Sept. 9 KYODO—Prime Minister Morihiro Hosokawa voiced hope Thursday [9 September] that he can frankly exchange views on Japan's bilateral ties with the United States when he meets with U.S. President Bill Clinton later this month.

"What will become of the Japan-U.S. relations greatly affects the stability in the world and global economy," Hosokawa said in an interview conducted one month after he took office.

"With scrupulous care, I want to hold a frank exchange of views (with Clinton) so the relations can go further smoothly," the prime minister said.

Hosokawa is scheduled to meet with Clinton in New York in late September when he attends the United Nations General Assembly session.

Noting public trust in his new coalition government has been nurtured gradually, the prime minister said he wishes to have the trend taken root further.

On the economic front, Hosokawa said he sees the current state of the nation's economy as "extremely grim" and vowed to take all possible measures to boost the stagnant economy.

He also reiterated his desire to achieve political reform by the year-end to root out corruption in public life. "I am aware we must achieve reform by the end of the year at all costs."

Hosokawa has staked his political future on passing a set of political reform bills aimed at revamping the electoral system of the powerful House of Representatives and tightening controls on political funding within the self-imposed deadline of the year's end.

Burbulis: Island Demand May Scuttle Yeltsin Trip

OW0909094593 Tokyo KYODO in English 0935 GMT 9 Sep 93

[Text] Tokyo, Sept. 9 KYODO—A top aide to Russian President Boris Yeltsin hinted Thursday [9 September] that Japanese pressure for Moscow to turn over four Russian-held islands might scuttle Yeltsin's proposed visit to Tokyo in mid-October.

"If Japan refrained form pushing one or two specific problems high on the negotiating agenda, the president's visit would materialize" regardless of the political situation in Russia, said former Russian Secretary of State Gennadiy Burbulis.

Currently on a 10-day visit to Japan for talks with Japanese leaders, Burbulis made the remarks in an exclusive interview with KYODO NEWS SERVICE.

Burbulis was responding to a question about whether Yeltsin would again postpone his twice-canceled visit despite his pledge to return to Tokyo in mid-October.

Yeltsin made the promise in July while visiting Tokyo for talks with leaders of the world's seven major powers.

During a meeting with then Prime Minister Kiichi Miyazawa, Yeltsin said the territorial dispute "should be discussed along with other bilateral issues when I make an official visit to Japan."

The row centers on four islands off Japan's northernmost main island of Hokkaido. Japan has called for the return of Etorofu, Kunashiri, Shikotan and the Habomai group of islets, which were seized by Soviet troops at the end of World War II.

Burbulis, now president of the Moscow-based strategic center, a government institution, has been an ally of Yeltsin since the days when the president was a local bureaucrat in the province of Yekaterinberg in the Ural mountains.

He said Japan should agree to "expand Russo-Japanese relations in all fields" before Russia moves to return the islands, an apparent reference to Japan's suspension of large-scale economic and technological aid to Moscow.

Japan has said it will not conclude a peace treaty with Russia unless Moscow responds positively to Tokyo's demands for Russia to turn over the islands. Political analysts say conclusion of the treaty would lift the lid on Japan's assistance to Russia.

Burbulis stopped short of answering explicitly a question on whether he believes the islands could be returned "within the next 10 years."

Regarding a standoff within Yeltsin's cabinet, Burbulis said the president "does not possess the legal authority" to fire Vice President Aleksandr Rutskoy, who is now facing bribery allegations.

Rutskoy, who was temporarily suspended from his office on September 1 by presidential decree, has refused to resign and continues to commute to his office in the Kremlin.

"The president does not have the legal authority needed to relieve Russia from this embarrassing situation," Burbulis said.

Russian prosecutors have alleged that Rutskoy has transferred to secret Swiss bank accounts profits he obtained through kickbacks.

Burbulis Urges Expansion of Economic Cooperation

OW0909122293 Tokyo KYODO in English 1216 GMT 9 Sep 93

[Text] Tokyo, Sept. 9 KYODO—Expanding economic cooperation between Japan and Russia will create a better environment for solving bilateral problems, a top aide to Russian President Boris Yeltsin said Thursday [9 September]. Former State Secretary Gennadiy Burbulis made the remarks in a meeting with Japanese Foreign Minister Tsutomu Hata, ministry officials said.

Burbulis told Hata that when he visited Hokkaido earlier this week, he noticed it is difficult to get government support for private-level, regional and economic exchanges and cooperation between Japan and the Russian Far East and border areas, the officials said.

Burbulis was quoted as saying both countries should make efforts to overcome the difficulties, they said.

Hata replied that Japan cannot go ahead with joint venture projects in the region until Japan's sovereignty over the four disputed Russian-held islands off Hokkaido is confirmed, the officials said.

The territorial dispute involves the four islands—Kunashiri, Etorofu, Shikotan and the Habomai islets—which the former Soviet Union seized in the closing days of World War II. Japan has called for the return of the islands and the row has prevented the two nations from concluding a peace treaty.

In the 90-minute meeting, Burbulis, now president of the Moscow-based government institution, the strategic center, said there is still room for the two nations to improve ties. To expand bilateral cooperation and exchanges, he said it is important that a wide variety of people from Japan and Russia are involved.

He also suggested setting up projects like a Russian center in Tokyo or a Russia-Japan private organization bearing the name "trust," they said.

Hata responded that establishing such new organizations is one idea to promote dialogue among Japanese and Russians, but there are problems concerning its relations with existing organizations, they said.

Burbulis also proposed that the United States participate in talks concerning security between Russia and Japan, the officials said. "I am convinced that active and full cooperation between Russia and Japan will speed up the solution of the longstanding territorial dispute in a fair way," he was quoted as saying.

Burbulis is on a 10-day visit to Japan at the invitation of the Council on National Security Problems, a private think-tank backed by the Foreign Ministry.

He called his visit to the Hokkaido city of Nemuro "meaningful and an important experience," and said what happened to the four disputed islands was an act of aggression on a peaceful public under the totalitarianism of Joseph Stalin. He was quoted as saying he is convinced that justice will be restored.

Burbulis also told Hata that through his meetings with leaders of Japan's new coalition government, he felt that Japan has compiled a "well-deliberated idea" on bilateral cooperation, the officials said. They quoted Burbulis as saying he hopes to convey the ideas to Yeltsin and other political leaders in Russia, and to the Russian public.

Envoy Relays Li Peng's Invitation to Hosokawa

OW0909114893 Tokyo KYODO in English 0750 GMT 9 Sep 93

[Text] Tokyo, Sept. 9 KYODO—Chinese Premier Li Peng has asked Japanese Prime Minister Morihiro Hosokawa to visit China, a Foreign Ministry official said Thursday [9 September].

Li relayed the invitation to Hosokawa through Chinese Ambassador to Japan Xu Duexin, who called on the Japanese premier at his official residence Thursday, the official said.

The Chinese premier told Hosokawa that China will welcome a visit by Hosokawa when it suits him, the ministry official said.

He quoted Hosokawa as responding that he wants to travel to China if an opportunity to do so arises in the future.

Tokyo Fails To Respond in 'Comfort Women' Suit

OW0609110093 Tokyo KYODO in English 1012 GMT 6 Sep 93

[Text] Kitakyushu, Fukuoka Pref., Sept. 6 KYODO—The Japanese Government failed to respond Monday [6 September] to a lawsuit filed by four Korean women who claim they were forced into prostitution and factory work during World War II.

The Japanese Government is named in the lawsuit, filed last November in the Shimonoseki branch of the Yamaguchi District Court, and is seeking to have the case rejected. But on Monday, government representatives said they wanted more time to respond to individual charges.

The four women, who testified Monday, are seeking an official apology from the government and a total of 286 million yen in compensation for physical and emotion suffering.

According to the suit, Pak Tu-ni, 71, was taken to Taiwan at the age of 17 to serve as a prostitute in a brothel for Japanese soldiers, and Ha Sun-nyo, 74, was taken to a Shanghai brothel at 19.

Pak So-duk, 64, and Yu Chan-[illegible] 65, were forced to work as lathe turners in a factory in Toyama Prefecture, the suit alleged.

In her testimony, Ha choked back tears as she said she wanted the court to make a "correct ruling" so she would get some compensation for her "lost life."

Pak Tu-ni said, "While I live everyday with only the thought of dying, this trial is my only ray of hope."

According to the suit, the women charge that their being forced to move and work under a nation's commandeering order is a violation of a treaty on forced labor by the International Labor Organization (ILO).

The lawsuit also charges that since the violations were perpetrated by the illegal actions of public officials during Japan's colonial rule of the Korean peninsula, the Japanese Government is obliged to provide an apology and compensation.

Australia's Opposition Leader Meets Hosokawa

OW0909053993 Tokyo KYODO in English 0346 GMT 9 Sep 93

[Text] Tokyo, Sept. 9 KYODO—The leader of Australia's conservative opposition coalition called on Thursday [9 September] for Japanese leadership in efforts to bring the stalled Uruguay Round of global trade talks to a successful conclusion by the end of the year.

John Hewson, leader of the Liberal-National Party Coalition, made the remark when he met with Prime Minister Morihiro Hosokawa at the premier's official residence.

The conclusion of the stalled trade negotiations is an urgent task, and Australia hopes to see progress made in the field of agriculture, among other things, a Japanese Foreign Ministry official quoted Hewson as saying.

During the meeting, that lasted over 15 minutes, Hosokawa said the bilateral ties between Japan and Australia have recently made great strides, the official said.

The Japanese premier also expressed the hope that mutual cooperation would increase in attempts to resolve not only bilateral problems, but also problems in the Asia-Pacific region and the rest of the world.

Hewson, an erstwhile professor of economics now visiting Japan, reportedly remarked that Australia's ties with Japan represent its most important bilateral relationship.

He also welcomed Hosokawa's recent remarks on Japan's responsibility for its actions both before and during World War II, as well as support for an indefinite extension of the nuclear non- proliferation treaty and efforts toward adjustment of the structure of the Japanese economy, the official said.

The Australian opposition leader did not elaborate on Japan's war guilt, the official said.

Touching on his predecessor Kiichi Miyazawa's trip to Australia and New Zealand in May, Hosokawa reportedly expressed a wish to visit Australia if he has the opportunity.

Hewson responded by saying he hoped such a visit by Hosokawa could be realized soon, the official said.

As he was leaving the premier's official residence, Hewson described his meeting with Hosokawa as "a very welcome opportunity."

He added it had been "an opportunity not only to congratulate him and talk about his reform agenda but also to emphasize how important our relationship is with Japan, how it has very strong support, a bipartisan support in Australia, and that the people in Australia very strongly support the benefits of that relationship."

On Thursday afternoon, Hewson is to meet Yohei Kono, president of the Liberal Democratic Party, which lost power one month ago for the first time in 38 years.

He is scheduled to confer with Foreign Minister Tsutomu Hata on Friday morning and subsequently hold lunch time talks with leaders of the Federation of Economic Organizations (Keidanren), Japan's most powerful business lobby.

Kono Criticizes Hosokawa for Lack of Direction

OW0909100893 Tokyo KYODO in English 1001 GMT 9 Sep 93

[Text] Tokyo, Sept. 9 KYODO—Liberal Democratic Party President Yohei Kono criticized Prime Minister Morihiro Hosokawa on Thursday [9 September] for what he called the premier's failure to demonstrate a clear-cut political direction for the nation.

"Although one month has elapsed since the inauguration of the new cabinet, (Hosokawa) has not yet clarified the policies his cabinet wants to pursue," Kono said in a press statement.

"It remains unclear which direction he is planning to guide this nation," Kono said.

On economic policy, Kono urged Hosokawa to take speedy measures to counter the damage caused by the yen's strengthening to the export sector, as well as higher prices from seasonal factors.

"The public is becoming irritated with the delay in the formulation of economic measures, such as to counter a stronger yen and price increases stemming from the cool summer," he said.

Foreign Minister Hata: Electoral Reform Crucial

OW0909085493 Tokyo KYODO in English 0851 GMT 9 Sep 93

[Text] Tokyo, Sept. 9 KYODO—Foreign Minister Tsutomu Hata said Thursday [9 September] that Japan needs to change its current multi-seat constituency system to tackle domestic and external problems.

Hata, who is also the deputy prime minister and leader of one of ruling coalition parties, pointed to the need to implement political reform, especially electoral reform.

He was speaking at a luncheon at the Federation of Economic Organizations (Keidanren), attended by about 170 business leaders, diplomats, critics and journalists.

Hata said political diversity, caused by the multi-seat constituency system, has brought Japan to a point where it is often criticized as being passive or always trying to follow or stand behind some other countries rather than taking initiatives.

Under the current system, parties were not able to come together to form viable policies, he said, because too many candidates in one electoral district prompted the candidates to state their individual views during electoral campaigns rather than hammer out the parties' characteristic policies.

"When we have to deal with domestic and external problems, we need to have one voice," he said. "Therefore, we need to change the electoral reform and proceed with political reform, including the changing of political funding law."

Hata said Japan should play a more active role in the international community commensurate with its economic power, but dismissed Liberal Democratic Party (LDP) President Yohei Kono's criticism that the new government wants to become a "mini superpower."

Tokyo could play active roles in fields such as the environment, population, energy and resources, he said.

Hata, who was finance minister under former Prime Minister Kiichi Miyazawa, said political reform is crucial for economic situations and that the political reform has been underestimated recently, with some people arguing that the economic agenda is a top priority.

"Even though we do have to come up with economic policies and measures to improve the economic environment, the economic policies will not be followed through if the Japanese public doesn't have any confidence in politics," he said.

Hata said the coalition government is studying effective economic measures to boost the economy and that some measures will be taken in the not-too-distant future.

He said boosting domestic demand, promoting imports and carrying out deregulation are necessary.

Japan also needs to reform Diet management, carry out administrative reform and decentralization of power, he said.

Hata, head of the LDP breakaway Shinseito (Japan Renewal Party), brushed aside criticism that the month-old coalition government is like a very fragile glass figurine or a marriage of convenience.

He said the fact that political parties with different backgrounds and histories have come together and are uniting to and responding to the change of the times, makes the fragile glasswork a tempered glass.

He also said Japan's politics is gradually changing after the government's inauguration. He cited as an example free and lively discussions at cabinet meetings.

Cabinet ministers in the past LDP-led governments tended to only present the bureaucracy's view rather than their own view in cabinet meetings. Coalition cabinet ministers, however, express frank views about such topics as Japan's future and analysis of the current situation, he said.

Coalition To Lower Proposed Election Levy

OW0909113393 Tokyo KYODO in English 1127 GMT 9 Sep 93

[Text] Tokyo, Sept. 9 KYODO—The seven parties in the ruling coalition agreed Thursday [9 September] to cut proposed public subsidies for political parties by nearly one third to about 41.4 billion yen, coalition officials said.

Responding to criticism about the size of the 60 billion yen subsidy, representatives from parties in the coalition agreed to reduce the per-capita levy for the subsidies to 335 yen, down from the 500 yen figure first agreed to August 27, the officials said.

At a cabinet meeting next Friday, the government will decide on the plan for presentation to an extraordinary session of the diet, where it will be tabled for deliberation, the officials said.

On August 27, the coalition member parties agreed that about 60 billion yen or 500 yen per person should be earmarked as public subsidies for political party campaigning.

The ruling parties said they agreed on the earlier amount because they decided to introduce an immediate ban on corporate donations to individual politicians to stem corruption.

The public subsidies to political parties are part of the political reforms that Prime Minister Morihiro Hosokawa has vowed to enact within this year.

But the opposition Liberal Democratic Party (LDP) and the Japanese Communist Party criticized the government's original plan.

The LDP has proposed earmarking 30 billion yen or about 250 yen per person.

Even from within the coalition government, some cabinet ministers, including Chief Cabinet Secretary Masayoshi Takeshita, voiced concern about the higher public subsidies suggested in the original plan.

Hirotaka Akamatsu, secretary general of the Social Democratic Party, told reporters the coalition parties estimate that 124.3 billion yen in political funds go to parties and politicians per year.

They decided that public subsidies should be one-third the estimate, Akamatsu said.

The original plan was that half of the political funds be appropriated by public subsidies because annual donations from business to individual politicians are estimated at 60 billion yen.

Total Drop in Political Funds in 1992 Reported

OW0909082593 Tokyo KYODO in English 0809 GMT 9 Sep 93

[Text] Tokyo, Sept. 9 KYODO—Tax-free political funds collected by Japan's political parties and groups during 1992 decreased from a year earlier for the first time in five years but hit the third highest ever at 173.9 billion yen, the Home Affairs Ministry said in an annual report released Thursday [9 September].

The figure represented a decline of 11.8 billion yen or 6.3 percent from 1991.

Last year's total was smaller than the 185.7 billion yen in 1991 and 184.5 billion yen in 1990, the ministry said.

Officials said the country's economic slowdown and popular calls for political reform led to a decline in political donations from the business world.

The ministry report was compiled from reports by a total 4,356 political parties and groups, compared with 4,315 a year before.

The nation's eight main political parties collected 84.9 billion yen in all, an increase of 2.5 billion yen or 3.1 percent from the previous year, it said.

The eight were the Liberal Democratic Party (LDP), the Social Democratic Party, Komeito, the Japan New Party (JNP), the Democratic Socialist Party (DSP), the Japanese Communist Party (JCP), the United Social Democratic Party, and Rengo Sangiin (currently the Democratic Reform Party). Two LDP breakaway parties, Shinseito (Japan Renewal Party) and Sakigake (Harbinger), were founded last June and were not covered.

The JCP gathered a record 33.6 billion yen maintaining the position as the top earner of political funds, mainly through sales of publications like party paper Akahata.

The LDP, which fell from power in July for the first time in 38 years, collected 25.5 billion yen, a drop of 3.8 billion yen from a year before. The decline in the LDP's income largely caused the drop in the total figure.

About half the LDP's income were donations from corporations and business organizations.

Komeito reported 15.7 billion yen; the SDP, 6.7 billion yen; the DSP, 2.5 billion yen; the JNP, 609 million yen; Rengo Sangiin, 202 million yen; and the USDP, 111 million yen, it said.

The LDP's donation-gathering body, the national political association, gathered 13.3 billion yen, down 23.7 percent from 1991, the ministry said.

The Federation of Economic Organizations (Keidanren) earlier this year announced a halt to intermediate companies' donations to the LDP organization.

The JNP, led by Prime Minister Morihiro Hosokawa, reported its funds to the ministry for the first time after it was launched in May 1992.

The JNP collected 609 million yen, of which 450 million yen was borrowed with Hosokawa's assets as collateral, it said.

Of the 4,356 parties and groups that reported their funds to the ministry, 145 held parties to raise money through admission fees, it said. The income from such parties totaled 2.6 billion yen, dropping by 141 million yen from a year earlier, it said.

Of the total 173.9 billion yen in political funds in 1992, about 82.1 billion yen or 47.2 percent was political donations, it said.

Companies and groups donated a total of 27.6 billion yen to politicians' supporting and factional groups, only 3.2 percent of which had the name of the donor, compared with 3.0 percent the previous year, it said.

Politicians, their supporting groups and factional groups must declare the source of an income only when it is 1 million yen or more annually.

On the other hand, political parties and groups are obliged to clarify the source of an income of 10,000 yen or more in a year.

The coalition government has drafted a reformed regulation that allows donors to give money only to political parties and groups. Under to the plan, parties and groups have to clarify the source of an income of 50,000 yen or more annually.

Funds of groups based only on a prefecture are not included in current figures. They will be released next spring.

SDP Extends Deadline for Leadership Candidacies

OW0909095893 Tokyo KYODO in English 0947 GMT 9 Sep 93

[Text] Tokyo, Sept. 9 KYODO—The Social Democratic Party (SDP) extended the Thursday [9 September] deadline for registration of candidacies in the September 18-19 leadership election by one day to late Friday afternoon, party officials said Thursday.

Shortly after the original deadline at 5 PM [0800 GMT] Thursday, House of Councillors member Masatoshi Ito registered his candidacy, the officials said. But probable contenders Wataru Kubo and Tomiichi Murayama did not file their candidacies.

The election is set to choose a successor to Sadao Yamahana, who has offered to resign and vowed not to run again.

Ito is backed by the left wing of the party, which strongly opposes a planned electoral reform bill that would have a combination of 250 single-seat constituencies and 250 seats for proportional representation in the House of Representatives.

The government of Prime Minister Morihiro Hosokawa plans to present the bill to an extraordinary Diet session scheduled to open September 17.

Two other candidates—Vice Chairman Kubo and the party's Diet Policy Affairs Committee Chairman Murayama, who have intended to run for the election—will continue to have talks in a bid to choose one of them as a candidate to run for the election, party sources said.

Earlier in the day, Yamahana had talks with Kubo and Murayama in a failed bid to have only one of them register a candidacy so as to avoid a potentially divisive race between them, the officials said.

Kubo is backed for the leadership by SDP parliamentarians who support the planned electoral reform bill.

Murayama is supported by parliamentarians who fear the proposed electoral system for the lower house would eventually lead to the disappearance of the party.

Ito, Murayama and Kubo have assembled lists of more than 100 party members and parliamentarians each as well as recommendations from their own local party offices—the conditions required to run in the election, the officials said.

Lower house member Sukio Iwatare gave up registering his candidacy for the election shortly before the original registration closing time of 5 PM, they said. But the officials did not elaborate on why he decided not to run.

The SDP will announce the results of the election, if held, on September 20 after about 130,000 members and associate members cast ballots on September 18 and 19. The party congress will officially approve the results on September 25.

The SDP is the largest party in the coalition government, but wields less influence in the government than conservative coalition members. Yamahana holds the post of state minister for political reform in the cabinet and Kubo is acting SDP chairman while the leader holds the cabinet post.

On Wednesday, Yamahana made clear his intention not to run in the election at an extraordinary session of the party's Central Executive Committee.

After the SDP suffered a crushing setback in the July 18 general election for the lower house, Yamahana offered to resign as party head but on another occasion indicated that he would run in the election.

Ito expressed his determination to compete for the chairmanship by opposing the planned electoral reform bill, which he described as "a poison that the party was forced to take."

Ito, elected to the upper house in 1989 for the first time on a seat filled on a proportional representation basis, is a monk from a temple belonging the Buddhist sect of Shinshu Otani. The temple is located in Komatsu, Ishikawa Prefecture, in central japan.

He has been involved in local civic movements such as resisting a project to build a nuclear power plant in Ishikawa's Noto peninsula.

Campaign Begins To Replace Ibaraki Governor

OW0909053593 Tokyo KYODO in English 0354 GMT 9 Sep 93

[Text] Mito, Sept. 9 KYODO—Four persons announced their candidacy Thursday [9 September] for the Ibaraki Prefecture election to fill the post vacated by former Governor Fujio Takeuchi, indicted on charges of taking bribes from Hazama Corp., a major construction firm.

Takeuchi, 75, was charged on August 12 with taking 55 million yen in bribes from a leading construction firm seeking to win public works contracts in the prefecture. Prosecutors the same day charged former senior Hazama officials, including former chairman Shigeru Honda, with bribing Takeuchi.

The four candidates for the September 26 election are Shoichi Kaneta, a labor union executive, Kazunobu Sagawa, former mayor of Mito, the prefectural capital, Katsuya Tanaka, a former prefectural assembly legislator, and Masaru Hashimoto, a former Home Affairs Ministry bureaucrat.

Kaneta is backed by the Japanese Communist Party while Hashimoto has the support of the Liberal Democratic Party (LDP), Shinseito [Japan Renewal Party], the Japan New Party and Sakigake (Harbinger). Sagawa and Hashimoto are independents. (The United Social Democratic Party withdrew its endorsement for Sagawa).

Takeuchi, a former Construction Ministry bureaucrat and LDP member, was governor of the prefecture for 18 years over five consecutive terms.

The election campaign is expected to focus on corruption and public investment policy, according to analysts.

During his governorship Takeuchi placed priority on regional development through active public works spending, while reportedly cultivating murky financial links with contractors.

An attempt by the Social Democratic Party to persuade other non- LDP parties to field a unified candidate failed due to the LDP's strong influence in the prefecture. The LDP holds 51 of the 63 prefectural assembly seats.

Both Kaneta and Sagawa are campaigning on antigraft platforms. Sagawa blamed the bribery scandal on what he called "widespread corruption in prefectural governance."

Kaneta has vowed to try to uncover other construction firms besides Hazama who might have given bribes to Takeuchi.

Tanaka is concentrating his criticism on the Hashimoto camp, saying the prefecture has to put an end to the practice of accepting former bureaucrats as governors.

Hashimoto has vowed to continue Takeuchi's policy of active spending of public funds, saying Takeuchi's achievements for local development are "commendable" although the alleged bribe-taking may be morally unacceptable.

Buhei Yamaguchi, Hashimoto's chief campaigner and the chairman of the LDP's prefectural chapter, dismissed the bribery scandal as "an issue stemming from the private life" of Takeuchi.

Tadashi Kashimura, secretary general of the Civic Forum, a group launched after Takeuchi's arrest to fight corruption, criticized most parties as not really wanting to root out corruption in the prefectural governance.

"The parties selected their candidates in a bid to change the cover of the book (without changing the contents) and the selected candidates are dodging the real issue," he said.

Hosokawa Favors 'Systematic' Economic Policies

OW0909034193 Tokyo KYODO in English 0336 GMT 9 Sep 93

[Text] Tokyo, Sept. 9 KYODO—Prime Minister Morihiro Hosokawa on Thursday [9 September] voiced a strong willingness to carry out economic policies in a comprehensive fashion.

In his meeting with business executives, the premier said that he is "sufficiently aware how severe a state the economy is in."

"I want to implement economic policies not in small doses but in more orderly, systematic ways," he said.

Hosokawa also said he will not only respect, but steadily put into practice, recommendations on tax reforms scheduled to be released in mid-November by the government's tax commission.

On politics, Hosokawa said he "would give up my days off to tackle political reforms because I don't want to betray the popular expectations."

"I am not optimistic, but trying hard, believing that we can bring it about," he said.

Vice Minister Saito Denies Fiscal Measures Plan

OW0909102393 Tokyo KYODO in English 1008 GMT 9 Sep 93

[Text] Tokyo, Sept. 9 KYODO—Vice Finance Minister Jiro Saito Thursday [9 September] denied his ministry has begun studying additional fiscal and monetary measures to help revive the flagging Japanese economy.

The Finance Ministry has not received any requests to do so from any quarter, Saito told a press conference.

The vice finance minister was commenting on some news reports that Prime Minister Morihiro Hosokawa made remarks in favor of the second supplementary budget for fiscal 1993 in addition to deregulations of government controls and shifts of windfall exchange profits to consumers, which are being worked out by the government for release later this month.

Saito said Hosokawa did not refer to the necessity for an extra budget when they met earlier Thursday.

Hosokawa said Wednesday the government is considering stimulus measures from "all conceivable angles." Chief Cabinet Secretary Masayoshi Takemura also suggested the same day the government will compile the second extra budget.

"All conceivable angles" do not point to specific policy measures, Saito said.

Saito said there is no "discrepancy of views" between the Finance Ministry and government leaders over the nation's economic state.

The Finance Ministry will keep a close tab on various economic indicators due out soon, including Friday's release of the quarterly business sentiment report by the Bank of Japan, called Tankan, and the April-June Gross National Product (GNP) next week.

Saito also denied reports Finance Minister Hirohisa Fujii supported income tax reductions in exchange for a hike in the 3 percent consumption tax rate.

Fujii flatly denied the reports Thursday, Saito said.

Farm Officials Warn Against Rice Speculation

OW0609125893 Tokyo KYODO in English 1236 GMT 6 Sep 93

[Text] Tokyo, Sept. 6 KYODO—Agriculture regulators warned rice wholesalers Monday [6 September] against building up their stocks to "excessive levels" amid forecasts of the worst rice harvest in 40 years because of the wet, cool summer.

The unusual warning came in an official notice from the Ministry of Agriculture, Forestry and Fisheries and the Food Agency as they are worried about a possible surge in speculative purchases of rice distributed free of government regulations.

The notice, a copy of which was obtained by KYODO NEWS SERVICE, was sent to two government-designated rice buyers, including the National Federation of Agricultural Cooperative Associations (Zenno), and two major rice wholesalers' groups.

It stresses the need to head off worries about a possible rice shortage and maintain planned supplies of rice in accordance with demand.

"If wholesalers raise their inventories from now on, there would be a distortion in rice supply through late October and there could be a rice shortage," said an agency official.

Under the Food Control Law, the government controls production and distribution of the staple food, but it allows supervised independent distribution of about 40 percent of the crop.

The ministry plans to distribute 1.58 million tons of rice through independent sales channels and officials have said there are no worries about a rice shortage as the government could purchase more than 4 million tons from rice farmers by late October.

But some rice wholesalers have tried to build up their stock on the expectations of a poor rice harvest, making it difficult for some other wholesalers to purchase rice, one agency official said.

The ministry forecast late last month the harvest would be the worst in 40 years because of the unstable weather, with its rice harvest index standing at a "rather poor" 95 against the average harvest of 100.

The index matched the post-World War II record low set in 1953.

North Korea

Spokesman Insists on 'Clear Attitude' From South

SK0909035893 Pyongyang Korean Central Broadcasting Network in Korean 0315 GMT 9 Sep 93

[Text] Today, in connection with the fact that the South side avoided expressing its attitude on several issues which we had requested to ensure the exchange of special envoys of the top leaders of the North and South at the earliest possible date, a spokesman for the North side's delegation to the North-South high- level talks answered a Korean Central News Agency reporter's question as follows:

As you know, we proposed an exchange of special envoys of the top leaders of the North and South and have made every effort to implement our proposal at an early date.

If the pending issues, including the nuclear issue, are to be resolved smoothly through an exchange of the two sides' special envoys, nuclear war exercises that run counter to denuclearization must be halted. And, if the nuclear issue is to be resolved between fellow countrymen, one must stop plotting to harm [mohae] one's dialogue partner in collusion with outside forces by using the nuclear issue.

When we again asked the South side to accept the exchange of special envoys in the 6 September telephone message signed by the premier of our Administration Council, we asked it to express its clear attitude toward suspending all nuclear war exercises against fellow countrymen and not pursuing an international cooperative system in connection with the nuclear issue. This is a very just demand related to the basic purpose of the exchange of special envoys and the South side's unreasonable confrontational attitude.

However, in a telephone reply message from the prime minister dated 8 September, the South side again evaded make a reply to our principled demand without offering any reasonable excuse, talking about preconditions, regret, and so forth.

We think this only shows that the South side is pursuing another specific purpose that cannot be consistent with dialogue.

This shows that the South side needs more time to correctly understand our demands and to express its position clearly.

Therefore, we plan to give the South more time, until 20 September.

We again urge the South side to make an affirmative reply with sincerity by that time.

Based on this, we inform the South side of our intention to hold a working-level contact around 23 September at Panmunjom to discuss the exchange of special envoys.

The South side should clearly express its position at an early date.

We hope the South side will make an affirmative response.

Pyongyang Marks State's Founding Anniversary

Film Week Opens

SK0709053793 Pyongyang KCNA in English 0422 GMT 7 Sep 93

[Text] Pyongyang, September 7 (KCNA)—A film week opened Monday [6 September] to celebrate the 45th founding anniversary of the Democratic People's Republic of Korea (September 9, 1948).

To be screened during the week are documentary films recording the glorious and brilliant revolutionary history of the great leader President Kim Il-song and his noble communistic virtues and the brilliant course of triumphant development of the socialist fatherland of chuche which is prospering with each passing day under the guidance of the great party, such as "The Leader Is Great Father of Our People," "Always Believing in the People," "Our Beloved Fatherland".

Also showing are "Birth of a New Regime" (Part 1 and 2), "People Who Met on the River Taedong" (part 1 and 2), feature films telling about the ideological and moral traits of the Korean people who are determined to uphold the leadership of the party and the leader with loyalty forever and the superiority of the socialist system of Korea, and follow-ups of the multi-part feature film "The Nation and Destiny".

Opening ceremonies of the film week on the 45th DPRK founding anniversary took place in provincial, city, and county (district) seats on the same day.

Kim Il-song Receives Messages

SK0809111093 Pyongyang KCNA in English 1018 GMT 8 Sep 93

[Text] Pyongyang, September 8 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, received messages of greetings from foreign heads of state and party leaders on the 45th anniversary of the national day of the DPRK.

The messages came from Samdech Norodom Sihanouk, head of state of Cambodia; Sultan Azlan Shah, king of Malaysia; Vere Cornwall Bird, prime minister of Antigua and Barbuda; Joao Bernardo Vieira, president of the State Council of Guinea-Bissau; Cassam Uteem, president of Mauritius; Said Mohamed Djohar, president of Comoros; Maumoon Abdul Gayoom, president of Maldives; Indrajit Gupta, general secretary of the National Council of the Communist Party of India; and Walid Junblatt, president of the Socialist Progressive Party of Lebanon.

They extended warmest congratulations to President Kim Il-song and wished him a long life in good health.

They also expressed the belief that the friendly and cooperative relations between Korea and their countries and the Workers' Party of Korea and their parties would continue to develop.

Receives Message From PRC

SK0909004493 Pyongyang Korean Central Broadcasting Network in Korean 2304 GMT 8 Sep 93

[Congratulatory message from leaders of the PRC party and state to Kim Il-song, general secretary of the Workers Party of Korea Central Committee and DPRK president, and Kang Song-san, premier of the State Administration Council on 7 September—read by announcer]

[Text] Pyongyang.

Comrade Kim Il-song, general secretary of the Workers Party of Korea [WPK] Central Committee and DPRK president, and Comrade Kang Song-san, premier of the DPRK State Administration Council:

On behalf of the CPC, the Chinese Government, and the Chinese people, we extend the warmest greetings to you and, through you, to the WPK, the DPRK Government, and the DPRK people on the occasion of your national holiday on the 45th anniversary of the founding of the DPRK.

The founding of the DPRK is a brilliant success made by the Korean people through their long, drawn-out revolutionary struggle. It is a great turn in Korean history.

For the past 45 years, the sincere and brave Korean people have succeeded greatly in the cause of socialist construction under the leadership of President Kim Il-song and the WPK, adhering to independence, sovereignty [chaju], and self-reliance.

The WPK and the DPRK Government are making efforts to develop friendly relations with the people of the various countries by carrying out a diplomatic policy of independence, friendship, and peace.

The Chinese people are truly pleased with achievements obtained by the Korean people and sincerely wish them a new greater success in their socialist construction cause.

The two countries of China and Korea are friendly neighboring countries sharing mountains and waters.

The two parties, two countries, and the people of the two countries have a tradition of friendly and cooperative relations.

Thanks to the warm consideration of the two countries and the joint efforts by the two sides, the friendly relations have deeply taken root in the hearts of the people and are constantly developing. We are pleased and satisfied with this.

The Chinese party, Government, and people, as in the past, will support the Korean people's great cause for independent and peaceful reunification. They will also steadily make efforts to further strengthen and develop PRC-DPRK friendly and cooperative relations along with the DPRK party, Government, and people.

[Signed] Jiang Zemin, general secretary of the CPC Central Committee and DPRK President; Li Peng, premier of the PRC State Council; and Qiao Shi, chairman of the Standing Committee of the PRC National People's Congress.

[Dated] 7 September 1993, Beijing.

Kang Song-san Gives Speech

SK0909030393 Pyongyang Korean Central Broadcasting Network in Korean 0803 GMT 8 Sep 93

[Speech by Kang Song-san, member of the Workers Party of Korea Central Committee Political Bureau and premier of the Administration Council of the DPRK, at a central report meeting marking the 45th anniversary of the founding of the DPRK held at the 8 February Hall of Culture in Pyongyang—live]

[Text] Comrades: Today, we are meaningfully celebrating the 45th anniversary of the founding of the DPRK, the honorable fatherland, in an atmosphere in which all the people across the country, filled with heightened revolutionary enthusiasm and combatant spirits, are accelerating the general onward march of the socialism of our own style.

On this festive national day, as authorized by the Workers Party of Korea [WPK] Political Bureau, on behalf of the WPK Central Committee and the Government of the Republic, I enthusiastically congratulate all the people who have devotedly waged the struggle to found the Republic and strengthen and develop it. [applause]

I also extend warm greetings to the South Korean people who, considering the Republic to be the beacon of hope, are courageously fighting for independence and democracy in society and the reunification of the fatherland, and to the Korean residents in Japan and all the other compatriots overseas who are patriotically and enthusiastically working for prosperity in the fatherland and the independent, peaceful reunification of the country. [applause]

On behalf of the WPK, the government of the Republic, and our people, I warmly welcome the foreign comrades and friends who are participating in this meeting to congratulate our national day. [applause]

Comrades: The DPRK is a great accomplishment of our revolution and a powerful weapon that helps lead the socialist cause of our revolution to victory.

What is important when a working class party is leading the popular masses' cause of independence is to correctly solve the problem of sovereignty and vigorously carry out the revolutionary struggle and construction based on this.

Throughout the prolonged revolutionary struggle under the party's leadership, our people independently built a people's regime and excellently established the prosperous popular masses-centered socialism of our own style in the beloved fatherland by using the regime as a weapons. [applause]

In our country, a struggle to gain the people's genuine sovereignty started at the time of the armed anti-Japanese revolutionary struggle. The great leader built a strong driving force of our revolution during the stern period of the anti-Japanese revolutionary struggle. In this way, he led the cause of liberating the fatherland to victory and laid a solid historic foundation for building the people's regime.

Based on the policy on building a chuche-oriented regime, which he presented during the period of the anti-Japanese revolutionary struggle, and the abundant experiences which he accumulated in the struggle to implement the policy, the great leader built a people's regime in a timely manner in the northern half of our country after the liberation and successfully made various democratic reforms. Based on this, he finally declared the founding of the DPRK throughout the world on 9 September 1948. [applause]

The great leader Comrade Kim Il-song has taught: The DPRK founding was a great event having historical significance in the development of our revolution and our people's lives.

The DPRK's founding was a brilliant realization of our people's long-cherished desire to gain true state sovereignty by our workers and farmers. [applause]

With the founding of the Republic, for the first time in history, our people became just masters of an independent state, and were able to accelerate successfully the advance toward socialism by highly manifesting the dignity of a chuche Korea.

For 45 years since its founding, our Republic walked a proud road elucidating victory and glory, and accumulated great achievements which will be elucidated for a long time in the fatherland's history.

The history of 45 years which our Republic has walked is a history of heroic struggle which honorably won the nation's dignity and sovereign right in the life-and-death struggle with the enemies at home and abroad. It was also a history of great creation and construction in which amid the difficult and complicated environment the banners of the revolution and socialism were highly upheld to develop endlessly a rich, powerful, and prosperous new society with the popular masses as the master from the collapsed colony and reactionary society. [applause]

In the past our Republic experienced history's arduous trials and advanced vigorously along the socialist road to achieve brilliant victories. This was possible because the chuche idea was regarded as the guiding principle in the state activities; consistently adhered to the chuche-oriented position and principle; and firmly consolidated the social and political basis of the people's regime and firmly embodied the leader's leadership in the revolution and construction.

In accordance with the popular masses'—the main force of the history—infinite creativity, the chuche idea is a scientific socialist theory in which nature, society, and man are remolded in conformity with the intention and demand of the popular masses to reveal the road to completely realize the popular masses' independence.

Realizing the popular masses' independent demand by strengthening chuche and enhancing its role is a guiding principle of the revolution and construction embodied by the chuche idea.

Under the leadership of the WPK, the Republic's regime put primary strength in accelerating the chuche and enhancing the role of the chuche in fulfilling the socialist revolution or in carrying out the socialist construction. Also, in accordance with its infinite might, it intensified the struggle to remold all fields of society in accordance with the demand of the chuche.

In particular, after the socialist revolution was victorious and the establishment of the socialist system in our county, the Republic's regime strengthened the people's regime and endlessly enhanced its function and role, and it firmly adhered to and brilliantly implemented the general line of the socialist construction to vigorously carry out the three revolutions—ideological, technological, and cultural. Therefore, all the people were armed with the chuche idea, and through their creativity they changed our country into a strong and dignified socialist country of realizing self-dependence in politics, self-support in economics, and self-reliance in national defense. [applause]

A socialist regime is a true regime of the people based on the broad working popular masses including the working class. Also, if the intrinsic demand of the socialist regime is to be smoothly realized, there must be a solid social and political basis.

The government of our Republic, a new type of chuche government which is built on the broad social and class foundation from the outset, reflecting the legitimate demands of our era when the broad popular masses emerged as the main force of history and the specific reality of our country, made it a firm principle to defend thoroughly the interests of the people of various circles and strata, including the intellectuals, and gave priority to this in all work.

The government of our Republic placed even the religionists and national capitalists in the position of the masters of the government if they loved the country and the nation, taking responsibility for their destiny and looking after them today as well. The social and political foundation of the government of our Republic which has been solidified and developed based on the worker-peasant union led by the working class and based on the broad popular masses' united front has been further strengthened into a united force of all the people.

The wholehearted unity of the sociopolitical foundation on which the government of our Republic is based is the most solid unity and cohesion in which all the people are firmly united around the party and the leader ideologically, and are willingly based on one revolutionary idea, the chuche idea. Because the leader, the party, and the masses are united firmly as a political living body sharing destiny together, our socialist government is firmly rooted in the popular masses and can display invincible might without perturbation in any situational change. [applause]

The socialist government is the political weapon to realize the leader's ideology and leadership and complete the popular masses' cause of independence. In order for the socialist government to brilliantly carry out its historical mission, it has to receive the leadership of the outstanding leader. The politics of the socialist government is the politics of the leader of the working class. The might and vitality of the politics of the socialist government depend on the greatness of the politics of the leader of the working class.

Under the wise leadership of the great leader Comrade Kim Il- song, the government of our Republic has implemented the true politics, the politics of independence, democracy, unity, and benevolence for the people ever since the first day of its founding. Because it embodies this noble political ideals, the socialist system of our Republic is the most solid and happy home of the people which cannot be destroyed no matter what desperate maneuvers the imperialists and the reactionaries may engage in. [applause]

Today, the socialism in our country has firmly taken root in the lives of our people as their inseparable part. All the people under the socialist system of our Republic are all enjoying the most valuable and happy lives in all areas—political, economic, and cultural—as true masters of the state and society. In our country, where the people's political rights are thoroughly guaranteed legally and socially, all the members of society participate freely in the management of state and the political activities of society. As members of sociopolitical organizations, they participate in organizational life.

In our country where the state takes full responsibility for and looks after their lives, the people are free from worries about eating, clothing, wanting, and living. They are engaged in a creative labor life with a job suitable for their composition and ability. One cannot find even one homeless wanderer or beggar.

All the people are learning to their satisfaction through life and endlessly developing under the benefits of the most advanced, free, and compulsory education system; receive free medical treatment; and enjoy health and long life thanks to various policies for the people. They thus are bringing creative wisdom and talent into bloom to their satisfaction.

In our country where literature and arts come into bloom and develop brilliantly under our party's correct literary and art policies, all the working people as true creators and enjoyers of socialist culture are enjoying the life of rich cultural sentiment. In our country, where the most beautiful and lofty morality and ethics of independent man based on the principle of collectivism—"one for all and all for one"—prevail throughout the society, all the working people constitute a large, harmonious family and help and lead one another. They thus are optimistically living and working with pride and conviction in their lives and the future and are full of hope in a romantic atmosphere.

Indeed, the dignity and happy life which our people enjoy under our country's socialist system are unthinkable in the exploiting class society. The future of socialist society, in which all the people are genuine masters of the society and everything in the society serve the popular masses, has no frustration and stagnation. [applause]

Imperialists and reactionaries look upon themselves as protectors of democracy and human rights and are frantically checking socialism. It, however, is a brazen and ridiculous act, just as thieves call others thieves. Countries where the people's independent rights and dignity are infringed upon savagely and where social inequality is the worst on the earth are imperialist ones. All kinds of corrupt realities that are taking place in these countries unveil the antipeople and antidemocratic nature of capitalist system. Man's value is evaluated by either money or possession in these countries. In the capitalist society where, to say nothing of man's dignity and political rights, the working popular masses are stripped of even the basic right of existence, it is self-evident that no democracy and human rights exist.

The life which our people enjoy under the social system of our Republic is the life of genuine socialism in which our working popular masses, free from all forms of social evils and any kind of political [word indistinct] become the true masters of the society, experience man's dignity, and lead independent and creative lives to their satisfaction. Genuine human rights exist only in our country. From their actual experience, our people say this with confidence and high pride. [applause]

Today the people's support for and trust in the socialism of our country is firm and invariable. Because our socialism embodies the chuche idea and because it is popular mass- centered socialism which implements true politics for the people on the most solid social and political foundation, our people regard this chuche socialism as the cradle of life and happiness, entrusting all their destiny to it, and are devoting all their high loyalty and patriotic passion to the party and the leader and the people's government that have provided them with the socialist system which is by far the most superior.

The party and the state always depend on the popular masses and serve the people. The people share life, death, and destiny with the party, regarding our party and the Republic as the genuine motherly bosom and the banner of unity and cohesion. This is the source of the invincibility and inexhaustible vitality of the socialism of our country. [applause]

The greatness of the chuche idea, our party's guiding ideology, the might of the unity and cohesion of the entire society, the invincibility of our people, and the superiority of the socialism of our own style which embodies the chuche political ideals—these are the summation of the protracted and glorious struggle of our people for socialism. Herein lies the fundamental guarantee for our Republic's endless growth and prosperity and our people's blooming lives of independence and creativity. [applause]

Comrades: Today the government of the Republic and our people have an honorable and heavy task to firmly defend and adhere to the popular mass-centered socialism of our own style and give full play to its superiority by more vigorously accelerating the revolution and construction based on the success already attained in socialist construction. Our people, who have victoriously waged the arduous and rewarding struggle for socialism under the banner of the chuche idea, are carrying on the revolution and construction in an environment where the imperialists and the reactionaries are stepping up the antisocialist and antirepublic maneuvers more viciously than ever.

For us to carry out socialist construction well is an important task for the times and history, not only to strengthen and develop our country and bring happy lives for our people but to defeat the challenge of the international reactionary forces, to firmly defend the fortress of socialism, and to open a bright future of the world's socialist cause. When we effect continuous upsurges in socialist construction, the counterrevolutionary maneuvers of all enemies of socialism will fail, the driving force of the popular mass-centered socialism of our own style in which the chuche idea is embodied will be strengthened, and greater advance will be made in the struggle for the victory of the common cause of socialism.

The event celebrating the 40th anniversary of the victory in the Fatherland Liberation War which was grandly observed in Pyongyang last July was a significant event which inflicted severe damage to the moves of the international reactionary forces opposing our Republic and socialism and powerfully demonstrated to the entire world once again the faith in sure victory and the revolutionary fidelity of our party and people that are waging continuous struggle for the victory of the cause of socialism. [applause]

We should continue to wage an invariable, vigorous struggle to create the speed of the general march of socialism in all fields of the revolution and construction, firmly maintaining our party's chuche revolutionary principle, whose justness and vitality have been proven in the trials of history, and the general line of socialist construction with the firm faith that the people are the masters of their own destiny and that the ability to pioneer their own destiny lies in themselves. By so doing, we should strengthen the might of our Republic in every way and give full play to the superiority of the socialism of our country.

To firmly defend and adhere to chuche socialism and complete the revolution to the end by effecting a revolutionary upsurge in socialist construction, the wholehearted unity of the entire party membership and all the people should be solidified as firm as a rock with the leader in its center. The wholehearted unity around the leader [yongdoja] is the life line of the popular mass-centered socialism of our own style, and the prime mover that firmly ensures the victory of the chuche socialist cause.

All the party members and working people should cherish deep in their hearts the national pride in having carried on the revolution for a protracted period of time since the pioneering period of the revolution, upholding the great leader Comrade Kim Il-song at their head, and purely adhere generation to generation to the tradition of our party's wholehearted unity which took strong root in the anti- Japanese revolutionary struggle and has been firmly solidified in the protracted struggle for socialism. They should further strengthen and develop this tradition. [applause]

Today, our revolution is vigorously advancing under the precise leadership of our party Central Committee with the absolute support of all the people. Our people have a firm faith and will to complete the Korean revolution to the end by treading the sacred Paektu road of march following the guidance of the party. We should uphold the party's idea and leadership with wholehearted unity around the glorious party center, as the first generation of our revolution struggled and won victory upholding the great leader as the center of unity and the center of leadership. We should become the bodyguards, shock brigade, lifeguards, and death-defying corps which share life, death, and destiny with the party forever on the long road of the revolution. [applause]

All the people should arm themselves with the chuche idea, the revolutionary ideology of our revolution, and make their loyalty to the party and the leader their faith, conscience, morality, and life at any time and place. They should become a fortress and a shield which resolutely protect and defend the party and the leader in any adversity politically, ideologically, and at the cost of their lives. At the same time, they should become the ardent defender and thorough implementer of the party's policy as the slogan of loyalty says, "What the party decides, we will do." By so doing, they should thoroughly demonstrate the unequalled devotion and mass heroism to add further luster to chuche socialism—our life and lifeline.

To continuously and thoroughly implement the tasks put forth in the party central committee slogans on the 40th anniversary of the war victory and effect continuous innovations in all fields of economic and cultural construction is an important revolutionary task today to give full play to the superiority of the socialism of our country.

We should more rapidly develop light industry and agricultural economy by concentrating our efforts on sectors of coal industry, electric power industry, and metal industry which are most important in the socialist economic construction. We thus should brilliantly realize the party's grand plan for firmly forging material and qualitative foundation of socialism and further improving the people's living standard.

The more difficult and vast task we have in constructing socialism, the more highly should we demonstrate the spirit of self- reliance and fortitude. This is our heroic people's traditional disposition. All the party members and the working people should effect a greater upswing in production in all sectors of national economy with the spirit of undaunted struggle upheld by our party (?as a revolutionary strategy) and demonstrated in the days of severe war, and with the revolutionary spirit of self-reliance and fortitude with which we rehabilitated the economy and effected the Great Chollima Upswing with bare hands on land devastated by war. We should thus adorn this meaningful year, which marks the 40th anniversary of the victory of the great Fatherland Liberation War and the 45th anniversary of the founding of the Republic, with brilliant success in socialist economic construction. [applause]

At the same time, we should bring about a new development in all sectors of culture, including science, education, health, literature and arts, and sports. Thus, we should let all the people enjoy a more independent and creative life under the socialist system of chuche. Upholding the party's slogan "We Serve the people," all functionaries of state economic organizations should always mingle with the masses with the militant spirit in which they crossed burning rivers and defeated enemies in the severe days of war and, after the devastation of war, trudged through the mire, girded their loins, and spaded soil, and should share the people's joy and sorrow and fulfill the glorious mission and duties as revolution supporters and servants of the people as demanded by the Chongsanri economy, Chongsanri method, and Taean work system.

In conformity with the demand of the prevailing situation and the development of revolution, we should thoroughly implement the party's military line which makes it a basic policy to convert the entire army into a cadre army, to modernize the entire army, to place all the people under arms, and to turn the entire land into a fortress. We thus should further strengthen and develop our People's Army as the revolutionary army of one-a-match-for-100, generate the spirit of attaching importance to the army of the nation, and solidly forge a defensive system on the dimension of all the people and the entire nation. We thus should impregnably defend the socialist fatherland so that our Republic does not allow any aggressors to recklessly touch an inch of land or a blade of grass.

In hearty response to the party's idea of Army-people unity, all the people and the entire People's Army must fill the society with the traditional, beautiful custom of Army-people unity, and the Army and people must single-mindedly share their life and death in waging the struggle to defend the socialist fatherland.

Achieving the fatherland's independent, peaceful reunification is an urgent task for the nation today. The most important thing in achieving the cause of reunifying our country is to achieve great national unity.

The 10-point program of great unity of the entire nation elucidated by the respected and beloved leader Comrade Kim Il-song is a banner of reunification and patriotism that points to the correct road toward achieving the country's peaceful reunification on the independent strength of our nation at an early date. This is also a grand charter of national unity that helps put an end to the mistrust and confrontation within the nation and achieves reconciliation and unity. [applause]

If it is to hasten the country's reunification on the united strength of the entire nation under the banner of the 10-point program of great unity of the entire nation, both the North and the South must assume the principle of national independence.

The Agreement on Reconciliation, Nonaggression, and Cooperation and Exchange Between the North and South and the Joint Declaration on the Denuclearization of the Korean Peninsula have been adopted and effectuated as a result of the positive efforts by the government of our Republic. However, outside forces and the South Korean authorities that follow their footsteps fabricated the fiction of suspicions of our nonexistent nuclear development and brought the situation to confrontation and the brink of war. The implementation of the agreement and declaration has been suspended [chongche sangtaee ppajigo], and the North-South dialogue has been completely suspended [chonmyon tonggyol sangtaee noyo].

Originally, the nuclear issue on the Korean peninsula was raised when U.S. nuclear weapons were deployed in South Korea against our Republic. The situation became graver when South Korea became the biggest forward nuclear base in the Far East and when nuclear threats were endlessly flung at us.

A joint statement highlighting mutual respect and nonaggression was recently adopted through the talks between the DPRK and the United States of America, and these principles were reconfirmed. This is a common basis for putting an end to the hostile relations between the DPRK and the United States, which have continued for almost half a century, and fundamentally resolving the nuclear issue; it is a road that can contribute to denuclearizing the Korean peninsula, improving DPRK-U.S. relations, and securing peace and security in Asia and the world. [choegun choson minjujuui inmin konghwagukkwa mihapchungguk saie hoedamul tonghayo hosang chonjunggwa pulgachimul kolcharo hanun kongdong songmyongi chaetaektoego kuwonchikturi chaehwagindoen kosun kun pansegi tongan chisok toeyoon chomisaiui choktae kwangyerul chongsik sikigo haengmunjerul kunwonjoguro haegyol halsu innun kongdongui kichorul maryon hangosuroso choson pandoui pihaekhwarul sirhyonhago chomi kwangyerul kaeson hamyo aseawa segyeui pyonghwawa anjonul pojang hanunde kiyohalsuinnun killo toemnida]

Historic facts show that when one assumes a firm stance of national independence, one can keep national dignity and interests and open a road toward the country's reunification and national prosperity.

We already asked the South Korean authorities to give up their policy of relying on outside forces and promote national understanding and unity based on an independent stance, a fair and just request. Moreover, last May, we advanced the momentous proposal that the North and South discuss and resolve pending mutual issues, including the issue of denuclearizing the Korean peninsula, by exchanging special envoys, and we have repeatedly asked the South Korean authorities to accept this proposal.

However, while talking about so-called civilian government, South Korea's persons in authority run counter to the nation's aspiration for independence as their predecessors did by poking fun at dialogue and strengthening their confrontational maneuvers in response to our repeated proposals for negotiations.

In laying the blame at the nonexistent North's nuclear issue while staging the Ulchi Focus Lens nuclear war exercise against us, recently South Korean authorities have talked about what they call the international cooperative system, an extremely provocative and bellicose act irritating the dialogue partner, delaying the realization of the denuclearization of the Korean peninsula, and leading the situation to the brink of war.

Holding (?denuclearization) talks in a situation where dialogue with us on the nuclear issue is proposed while a nuclear war exercise to attack the dialogue partner is being staged contradicts reason. This is a self-evident fact for all intents and purposes.

Referring to the international cooperative system while talking about the need to solve the nuclear issue with fellow countrymen is also an inconsistent act incompatible with North-South dialogue and negates the DPRK-U.S. talks which are now proceeding.

Whether dialogue can recommence in our country, an atmosphere of reconciliation and detente can be created accordingly, and all pending issues, including the nuclear issue, can be solved completely rests entirely with the South side's attitude. It is fortunate that the South side, though belatedly, understood the real intention of our proposal for exchanging special envoys three months after it was put forward and responded to it.

The South side should no longer make fun of the dialogue partner with inconsistent words and deeds and should not disappoint the people at home and abroad who want [word indistinct] peaceful reunification of our country. To do so, it should make a resolute decision to clearly show its attitude toward our principled demands.

The South Korean authorities should renounce their insidious aims and wrong attitude and should accept our 10-point program for great unity of the whole nation. They should also abrogate the National Security Law which obstructs the nation's reconciliation and reunification; dismantle the Agency for National Security Planning; stop suppressing patriotic youth, students, and people rising up in the struggle for independence, democracy, and reunification; and release all people like (?political prisoners) who have been unjustifiably arrested and detained.

Great national unity is the only way for all of the Korean people in the North, the South, and overseas to defuse today's difficult situation and lead to reunification and prosperity tomorrow.

The Fourth Pannational Rally, which was to be held in Seoul on the occasion of the anniversary of the 15 August national liberation, was aborted due to hindrance by the South Korean authorities, but it was held in several areas. The fever of reunification which surged in the North, the South, and overseas during the period of the rally, vigorously demonstrated once again our 70 million fellow countrymen's firm will to achieve without fail the country's reunification in the nineties. [applause]

All compatriots in the North, the South, and overseas should unanimously rise in the pannational reunification movement in firm unity under the lofty ideal of the 10-point programs of great unity of the whole country as members of the Korean nation, regardless of differences in ideas, political views and religions.

They should make characteristic contributions to the cause of national reunification according to their own circumstances and conditions so that those with might offer might, those with knowledge offer knowledge, and those with money offer money.

In the name of all people in the northern half of the Republic, I take this opportunity to extend support and encouragement with warm compatriotic love to the South Korean youth, students, and people from various social strata who unswervingly and courageously struggle by upholding the slogans of independence, democracy, and national reunification even under the difficult condition in which various forms of oppression and persecution continue. I also extend warm compatriotic support and encouragement to overseas compatriots who actively dedicated themselves to the patriotic movement to achieve the independent and peaceful reunification of the fatherland. [applause]

Although obstacles and difficulties remain on the road toward national reunification, the cause of national reunification will be achieved without fail for our people who are advancing in accordance with the principle of national independence.

Today the course of changes in the international situation clearly proves the justness of anti-imperialist and independent foreign policy which our party and the government of the republic consistently maintains.

The Cold War, which impeded history's advance, is over. However, outdated forces, scheming to dominate the world by means of strength by going against the trend of independence, still remain.

Today's situation demands that the progressive people of the world aspiring for independence and all peace-loving forces tenaciously defend independence in firm unity against various forms of domination, including imperialism and colonialism. Today's situation also demands that they thoroughly exercise sovereign rights in external relations.

Independence, peace, and friendship are the basic ideals of our Republic's foreign policy. The government of the Republic and our people will, as in the past, firmly maintain independence under the banner of independence, peace, and friendship amid any change in the situation, and will remain faithful to revolutionary principles and international obligations. It will make all efforts to develop friendship and cooperative relations with peoples of many nations of the world including socialist nations and nonaligned countries in order to achieve the whole world's independence.

Our people are struggling for the just cause by upholding the banner of the chuche idea under the wise leadership of the party and the leader. Victory and glory will always adorn our future. [applause]

Let us vigorously advance in firm unity with the party Central Committee headed by the respected Comrade Kim Il-song by fighting for victory of the chuche socialist cause, for the independent and peaceful reunification of the nation and for the independence of the whole world. [applause]

Long live Comrade Kim Il-song, the great leader of our party and people! [applause] [shouts of hurrah]

Long live the glorious WPK, the organizer of all victories and guide of the Korean people! [applause] [shouts of hurrah]

Long live the DPRK, the glorious fatherland! [applause] [shouts of hurrah]

Leaders, Guests Attend Meeting

SK0909050293 Pyongyang KCNA in English 1104 GMT 8 Sep 93

[Text] Pyongyang, September 8 (KCNA)—A national meeting was held at the February 8 House of Culture today to celebrate the 45th anniversary of the founding of the Democratic People's Republic of Korea, the glorious motherland.

Placed on the platform of the meeting place was a portrait of the great leader President Kim Il-song, the founder and leader of the Democratic People's Republic of Korea.

Present there were O Chin-u, member of the Presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea [WPK] and minister of People's Armed Forces, Premier Kang Song-san and Vice-president Pak Song-chol who are members of the Political Bureau of the WPK Central Committee, and other senior party and government officials.

The congratulatory group of Koreans from Japan visiting the homeland to celebrate the 45th founding anniversary of the DPRK led by So Man-sul, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), Cho Il-min, chief of the Pyongyang mission of the South Korean National Democratic Front, overseas compatriots staying in the socialist homeland and foreign diplomatic envoys here and embassy officials were also present.

Kang Song-san made a report under the title "Let Us Further Glorify Our-Style Socialism Under the Banner of the Chuche Idea".

The reporter stressed that the DPRK is a great gain of our revolution and a powerful weapon leading the socialist cause of our people to victory.

The great leader Comrade Kim Il-song built the people's power in good time and successfully carried out democratic reforms in our country after the liberation in reliance upon the deep and sturdy historical roots of people's power building nursed during the anti- Japanese revolutionary struggle and, on this basis, proclaimed to the whole world the foundation of the DPRK on September 9, 1948, the reporter said.

He quoted the great leader Comrade Kim Il-song as saying:

"The foundation of the DPRK was a great, historic event in the development of our revolution and in the life of our people."

The republic, the reporter said, has covered a proud road shining with victory and glory and performed great feats which will shine long in the annals of the country over the last 45 years since its founding.

Our republic could vigorously advance along the road of socialism and win brilliant victory, forcing the way through grim tests of history in the past because it has taken the chuche idea as a guideline in the state activities, consistently adhered to the chuche-based stand and principle, firmly built socio-political foundations of people's power and firmly established the leadership of the leader in the revolution and construction, the reporter noted, and stressed:

Today, in our country, socialism has struck strong roots in the life of our people and it is inseparable from our destiny.

The party and the state have always firmly relied on the popular masses and served them and they share their destiny with the party, regarding our party and the republic as a true motherly embrace and a banner of unity and cohesion. Herein lies the source of the invincibility and inexhaustible vitality of our socialism.

The greatness of the chuche idea, the guiding idea of the Workers' Party of Korea, the might of the singlehearted unity of the whole society, the invincibility of the Korean people and the advantages of the Korean-style socialism, an embodiment of the political ideology of chuche—these are the main fruition of the protracted and glorious struggle of the Korean people for socialism.

The reporter elaborated on the tasks for firmly defending Korean- style socialism centred on the popular masses.

He laid particular emphasis on the need to consolidate the singlehearted unity of the whole party and the entire people around the leader as firmly as a rock.

Turning to the question of the country's reunification, the reporter said:

What is most important in accomplishing the cause of national reunification at present is to achieve the great unity of the nation.

If the reunification of the country is to be accelerated by the united efforts of the whole nation under the banner of "10-point programme of the great unity of the whole nation for the Reunification of the country" worked out by the respected leader Comrade Kim Il-song, both the North and the South must adhere to the principle of national independence.

At the recent talks, the DPRK and the USA adopted a joint statement the keynote of which is mutual respect and non- aggression and confirmed its principles again, the reporter said, and continued: "This lays a common foundation for terminating the hostile relations between the DPRK and the USA which have existed for nearly half a century and for basically solving the nuclear problem, which may contribute to the denuclearisation of the Korean peninsula, improvement of the DPRK-USA relations and the guarantee of peace and security in Asia and the rest of the world.

The South Korean authorities staged the "Ulchi Focus Lens" nuclear war exercises against the North some time ago and are vociferating about "international mutual assistance system" with outcries over the fictitious "nuclear problem" of the North, the reporter said, adding: This is a very provocative and bellicose act to get on the nerve of the other party to the dialogue and delay the denuclearisation of the Korean peninsula and bring the situation to the brink of war.

It depends wholly upon the attitude of the South side whether or not dialogue is resumed in our country and an atmosphere of reconciliation and detente is created and all the pending issues including the nuclear problems smoothly solved.

The South Korean authorities must renounce their sinister purpose and wrong attitude, accept the DPRK's 10-point programme of the great unity of the whole nation, scrap the "National Security Law", dissolve the "Security Planning Board" and release all those who have been arrested on unwarrantable charges including the "political prisoners.

The DPRK Government and people will as ever remain faithful to the revolutionary principles and international obligations, firmly maintaining independence no matter how the situation may change, under the banner of independence, peace and friendship, and will make every possible effort to make the whole world independent and develop the friendly and cooperative relations with the peoples of many countries of the world including the socialist and nonaligned countries.

So Man-sul, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan, made a speech at the meeting.

Leaders Attend Meeting

SK0909095393 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 8 Sep 93

[Text] A central report meeting was splendidly held yesterday [8 September] at the 8 February Hall of Culture to mark the 45th anniversary of the DPRK founding. The meeting was attended by functionaries from party, government, and administrative and economic organs; functionaries from central organs, armed forces organs, social security organs, and public organizations; functionaries from the fields of science, education, culture, arts, public health, publication, and press; anti-Japanese revolutionary fighters; bereaved families of revolutionary martyrs; heroes; meritorious persons; labor innovators; soldiers of the People's Army; and workers in Pyongyang city.

The meeting was also attended by members of the congratulatory group of Koreans from Japan visiting the fatherland to celebrate the 45th anniversary of the DPRK founding and other overseas compatriots staying in the socialist fatherland. Foreign diplomatic envoys and embassy officials in our country were invited to the meeting.

Comrade O Chin-u, member of the Presidium of the Political Bureau of the Central Committee of the Workers Party of Korea [WPK] and minister of People's Armed Forces; Comrade Kang Song-san, member of the Political Bureau of the WPK Central Committee and premier of the Administration Council; Comrade Pak Song-chol, member of the Political Bureau of the WPK Central Committee and vice president of the DPRK; Comrade Kim Yong-nam, member of the Political Bureau of the WPK Central Committee and vice premier and foreign minister of the Administration Council; Comrades Choe Tae-pok and Kim Yong-sun, alternate members of the Political Bureau of the WPK Central Committee and secretaries of the party Central Committee; Comrades Choe Yong-nim, Hong Song-nam, Kang hui-won, and Kim Tal-hyon, alternate members of the Political Bureau of the WPK Central Committee and vice premiers of the Administration Council; Comrades Kim Chung-nin, Yun Ki-pok, So Kwan-hui, Hwang Chang-yop, and Pak Nam-ki, secretaries of the WPK Central Committee; Comrades Kim Pok- sin, Kim Yun-hyok, Kim Hwan, and Chang Chol, vice premiers of the Administration Council; Comrade Yang Hyong-sop, chairman of the Supreme People's Assembly; Comrade Chon Mun-sop, chairman of the State Inspection Committee; Kim Pyong-sik, chairman of the Central Committee of the Korean Democratic Party; Yu Mi-yong, chairman of the Central Committee of the Chondoist Chongu Party; responsible functionaries from party, government, and administrative and economic organs; responsible functionaries from central organs, armed forces organs, social security organs, and public organizations; anti-Japanese revolutionary fighters; heroes of the Republic; and meritorious persons were present on the rostrum.

So Man-sul, vice chairman of the Central Standing Committee of the General Association of Korean Residents in Japan [Chongnyon], who is the head of the congratulatory group of Koreans from Japan visiting the fatherland to celebrate the 45th anniversary of the DPRK founding; and Cho Il-min, chief of the Pyongyang mission of the South Korean National Democratic Front, were present on the rostrum.

The meeting began with the playing of the national anthem.

Comrade Kang Song-san, member of the Political Bureau of the WPK Central Committee and premier of the Administration Council, made a report at the meeting.

So Man-sul, vice chairman of the Chongnyon Central Standing Committee, made a congratulatory speech at the meeting.

Editorials Mark State's 45th Anniversary

SK0909123693 Pyongyang KCNA in English 1119 GMT 9 Sep 93

["Our Republic is Unbreakable Bulwark of Socialism"—KCNA headline]

[Text] Pyongyang, September 9 (KCNA)—NODONG SINMUN and MINJU CHOSON today run editorials under the respective titles "Our Republic is Unbreakable Bulwark of Socialism" and "Might of Our Republic Under an Illustrious Leader is Ever Victorious" on the occasion of the 45th founding anniversary of the Democratic People's Republic of Korea.

NODONG SINMUN says that the founding of the DPRK was a grand emergence of chuche Korea and a great event in which an unbreakable bulwark of socialism rose in the east.

It quotes the great leader Comrade Kim Il-song as saying:

"Our people's government is a precious revolutionary asset gained only after a prolonged and bloody struggle."

It further says:

The DPRK has covered a road of hard struggle and proud victories over the 45 years since its foundation, creditably discharging its role as the defender of the socialist cause and as a weapon of revolution.

The DPRK, our glorious country, is displaying more powerfully its grand appearance as an unbreakable bulwark of socialism under the guidance of the dear leader Comrade Kim Chong-il.

The invincibility of our Republic lies in that it is under the wise guidance of a great party and an illustrious leader.

Dear Comrade Kim Chong-il is the symbol of the dignity of our Republic and its might and a tested leader of the socialist cause of our times. The Korean people have won and will win one victory after another in the acute political and military confrontation to smash the anti-DPRK moves of the enemies as the dear leader Comrade Kim Chong-il with an extraordinary intelligence and outstanding leadership art is leading our party and revolutionary Armed Forces at the head.

The invincibility of our Republic is firmly ensured by the might of the singlehearted unity of the leader, the party and the masses. The entire people are more closely united than ever around the party and the leader and think and act only in accordance with the idea and will of the party with a firm determination to accomplish the revolutionary cause of chuche under the guidance of the dear header Comrade Kim Chong-il.

The invincible might of our Republic is ensured by the powerful economic foundation and self-reliant national defence. Our economic potential is being strengthened day by day in the struggle to implement the revolutionary economic strategy of our party. Our People's Army has grown into a-match-for-a-hundred revolutionary Armed Forces equipped with modern weapons and combat technical equipment which are boundlessly loyal to the party and the leader and the cause of socialism.

Pointing out that it is the noble obligation of the entire people to further strengthen and defend the solid bulwark of socialism, the editorial calls upon all the party members and other working people to effect a new revolutionary upsurge in all domains of socialist construction, remaining loyal to the guidance of the party and the leader.

Our Republic and people will as ever continue to resolutely adhere to the principles of anti-imperialism and independence and socialism and fight it out to build socialism and communism, the future of mankind, with indomitable fighting spirit and confidence.

South Korea

U.S. Conditions for North Talks 'Not Fulfilled'

SK0909021093 Seoul YONHAP in English 0203 GMT 9 Sep 93

[Text] Washington, Sept. 9 (YONHAP)—A U.S. State Department official said Wednesday [8 September] that the conditions were not fulfilled for North Korea to hold a third round of high-level talks with the United States.

The official said that in order for Pyongyang to resume the high- level talks with the United States, practical talks on problems related to the nuclear safeguards agreement between North Korea and the International Atomic Energy Agency have to be in progress.

Moreover, North Korea will have to open dialogue with South Korea on pending issues, including the nuclear question, if it wants to continue its negotiations with the United States, said the official, requesting anonymity.

Progress so far made in these areas is not satisfactory for a third round of U.S.-North Korean talks, he said.

Judging by the U.S. position, the third round of talks could come toward the end of September or in October at the earliest, according to sources.

Robert Gallucci Visits To Discuss Conditions

SK0909035293 Seoul YONHAP in English 0216 GMT 9 Sep 93

[Text] Seoul, Sept. 9 (YONHAP)—The chief U.S. negotiator in nuclear talks with North Korea, Assistant Secretary of State for Political and Military Affairs Robert Gallucci, is due in Seoul on Thursday evening, but the discussions will be quite different from what both sides initially planned, Foreign Ministry officials said on Thursday.

Gallucci, who will stay until Sept. 13, is scheduled to meet with Foreign Minister Han Sung-chu, Unification Minister Han Wan-sang, Presidential Secretary for Foreign Affairs and National Security Chong Chong-uk and President Kim Yong-sam.

If all had gone well between North Korea and the International Atomic Energy Agency (IAEA) and in inter-Korean dialogue, Gallucci and South Korean officials would have discussed when Washington would meet again with Pyongyang.

But with both conditions unsure and remote, Seoul officials and Gallucci will be limited to discussing possibilities instead of specifics.

This delay poses a dilemma for South Korea and the United States, who now must set a new "deadline" on how long they can wait for substantial progress in solving the North Korean nuclear situation.

Gallucci had led two rounds of high-level talks with North Korea after the Communist regime threatened to pull out of the Nuclear Nonproliferation Treaty (NPT), and stopped the withdrawal just hours before it was to take effect June 12.

Washington set two conditions for a third round—that North Korea must negotiate with the IAEA on fullscope nuclear inspection and sit down with South Korea to implement denuclearization of the Korean peninsula.

In July, Seoul and Washington set the IAEA Board of Governors meeting opening Sept. 22 in Vienna as a sort of deadline, expecting that the IAEA would have met with North Korea on nuclear inspection and that an inter-Korean contact would have taken place by then.

An IAEA negotiation team did go into Pyongyang earlier this month, but Seoul officials say the reported results fall short of expectations.

The two Koreas are expected to hold a working-level contact on Friday morning in preparation for the more important contact between their presidential envoys, but Pyongyang has attached conditions to Friday's talks that Seoul finds it difficult to meet.

This uncertainty is likely to delay a third North Korea-U.S. meeting to late this month, instead of next week as originally thought.

"We will have to conduct our discussions based on future possibilities because nothing substantial has emerged," a Foreign Ministry official said about Gallucci's visit.

"We originally hoped to decide during his visit whether the North Korean situation has made enough progress and whether Washington will okay the third-round talks. But there is too little to go on at this point," said the official.

Without meaningful progress by this weekend, which officials predict is most likely, the situation will have to pass beyond the IAEA board meeting.

"In this case, one of the key points in South Korea-U.S. consultations will be on when the next 'deadline' should be," the ministry official said.

U.S., South Agree on North

SK0909072993 Seoul YONHAP in English 0646 GMT 9 Sep 93

[Text] Seoul, Sept. 9 (YONHAP)—Seoul and Washington agree that Pyongyang has not met the conditions for a third round of North Korea-U.S. talks, a top-level official said Thursday.

U.S. Assistant Secretary of State Robert Gallucci, due in Seoul on Thursday [9 September] evening for a five-day visit, comes at a "crucial" time when the direction of North Korea-International Atomic Energy Agency (IAEA) and inter-Korean dialogue are uncertain, the official said.

"His visit is part of Seoul-Washington working-level consultations and joint cooperation on North Korea's nuclear situation," he said.

Gallucci, chief U.S. negotiator in nuclear contacts with North Korea, will attend a consultation meeting with Foreign Ministry officials on Friday morning and meet with the Foreign, Defense and Unification Ministers before leaving on Monday.

North Korea insisted on primarily discussing fairness in IAEA inspections and no progress has emerged from the agency team's recent visit to Pyongyang, the official pointed out.

North Korea attached hard-to-meet conditions to a working-level inter-Korean contact proposed for Friday, "darkening the prospects of the contact taking place," he said.

"But these two points are requirements to another round of North Korea-U.S. meetings, and the agreement between Seoul and Washington are that they have not been satisfied," according to the official.

The U.S. State Department issued a statement earlier in Washington saying that further talks with North Korea "can be arranged only after" these two conditions are cleared.

"Progress in these areas is not yet sufficient to warrant scheduling a third round of U.S.-(North Korea) talks," the statement said.

Editorial on U.S. 'Wrong Signal' to North

SK0909072593 Seoul TONG-A ILBO in Korean 9 Sep 93 p 3

[Editorial: "A Wrong U.S. Signal"]

[Text] While not opposing the effort to resolve the North Korean nuclear issue, not to abide by an agreement, no matter how tenuous, puts the matter in a different light. In that case, it would be helpful to seriously reexamine the possibility of settling the issue through negotiations and change the way of negotiation.

The United States and the International Atomic Energy Agency [IAEA] have held negotiations with North Korea, and the United States is planning the third round of U.S.-North Korean talks. Expecting the third round of talks with the United States to be held soon, North Korea proposed South-North dialogue through the exchange of special envoys at any level [imuigup tuksa kyohwan]. Whether South-North dialogue will be held remains unclear. However, North Korea now has three channels open for negotiations so that the situation concerning negotiations shows a ratio of three to one with the United States virtually in the lead.

Accordingly, it is very significant that the chief U.S. delegate has an opportunity to directly experience Seoul's feeling. If he has a chance to listen to South Koreans, who have many years of experience in facing North Korea, he may be surprised at the widespread, deep mistrust for North Korea in South Korean society. South Korea's deep distrust of North Korea is real, not exaggerated, and I would like to point out that this was caused by the North Korean ruling forces. Much evidence proves my point.

When holding negotiations with North Korea, whom we cannot help but distrust, precautions against the following two points are particularly necessary. First, North Korea may use a trick to lead negotiations in a direction far from settling the issue. Second, even if negotiations succeed after all sorts of difficulties, North Korea may turn agreements into mere scraps of paper by not implementing them. It would be futile to recall all our disappointments at such North Korean actions. Frankly speaking, we feel that symptoms of such North Korean acts were already apparent in previous negotiations on the North Korean nuclear issue.

Under the pretense of negotiations, North Korea continues to adhere to a policy of not negotiating [pultahyop]. We can suppose that North Korea may not give up its nuclear development because of its political problems. However, North Korea realizes it is difficult to avoid international pressure demanding its abandonment of nuclear development. Therefore, North Korea opened all channels for negotiations and pretended to negotiate. It has remained at the starting point, however, making no progress in negotiations. As expected, negotiations between North Korea and the IAEA bore no fruit. North Korea's policy of not negotiating made it propose an exchange of special envoys under new conditions.

It has been reported, however, that the United States is considering holding the third round of talks with North Korea. This is the wrong signal. Believing in this signal, North Korea is showing an attitude of ignoring negotiations with the IAEA and South Korea. Certainly North Korea believes that such strong measures as UN sanctions have become impractical. Thus, at this moment, it is necessary to declare a firm position that awakens North Korea to its miscalculation.

If North Korea reads the wrong signal and believes that the third round U.S.-North Korean talks will be held in any case, the aim of negotiations on the North Korean nuclear issue may be lost. The government should also be clearly aware of this.

Indian Prime Minister Rao Arrives in Seoul

SK0909094093 Seoul YONHAP in English 0856 GMT 9 Sep 93

[Text] Seoul, Sept. 9 (YONHAP)—Indian Prime Minister Narasimha Rao arrived in Seoul on a three-day visit Thursday [8 September] that includes the first summit between the two countries.

Rao will meet with President Kim Yong-sam on Friday and discuss regional issues, including North Korea's nuclear issue and specific economic cooperation.

He has arranged a special conference of the Indian ambassadors to South Korea, North Korea, Japan, China and Mongolia to assess India's policy toward Asia.

Rao, author of one of his country's most comprehensive economic reforms since taking office in June 1991, is expected to emphasize stronger trade relations with South Korea.

Seoul is running a trade surplus with New Delhi that was 460 million U.S. dollars for January-June this year, and more than 440 million dollars for the entire 1992.

South Korean businessmen are to seek Rao's promise for their active participation in India's five-year economic development plan (1992-1997).

India established relations simultaneously with South and North Korea in December 1973, but its policies have inclined toward Pyongyang.

South Korea and India will sign agreements on tourism, cooperation, cultural exchanges and science and technology cooperation during Rao's visit.

Indian Envoy to Pyongyang Denies Riot Rumors

SK0909065993 Seoul YONHAP in English 0248 GMT 9 Sep 93

[Text] Seoul, Sept. 9 (YONHAP)—Pyongyang has not experienced the riots and looting that the South Korean media have reported as breaking out in North Korea due to food shortages, Indian Ambassador to Pyongyang Shehkholen Kipgen told YONHAP on Wednesday [8 September].

"I don't know about other places, but I can say for sure about Pyongyang that there is no food shortage there," said Kipgen, the first envoy to visit Seoul while stationed in the North Korean capital.

Kipgen is one of the six Indian ambassadors in Northeast Asia who are in Seoul for a meeting with Prime Minister Narasimha Rao on Saturday, the last day of a three-day state visit to South Korea.

Rao is the first Indian premier to come to Seoul for a summit since the two countries normalized ties 20 years ago. New Delhi also has diplomatic relations with Pyongyang.

Kipgen said in a telephone interview that he had read South Korean reports about food shortages and riots on his way to Seoul via Beijing, and had heard of no such thing in Pyongyang.

He flatly denied that the government is shaking because of the straits that the economy is in.

"You can't say that if you know the North Korean regime. It is not something that can be easily shaken. I say everything is in normal condition there," Kipgen said.

He refused to comment on the North Korean nuclear issue, saying India had friendly ties with both Seoul and Pyongyang and would like to keep them.

Kipgen, who has been in Pyongyang since November 1990, refused to touch on any sensitive issue regarding North Korea.

"I actually have to have permission from my vice minister to talk to you. We were instructed only to concentrate on the meeting of envoys. Please ask Prime Minister Rao about the North Korean issue," said Kipgen, reflecting New Delhi's precaution not to offend Pyongyang with its premier's official visit and injure its equidistant relations with the Communist country.

Israel's Peres Consults Han Sung-chu on PLO

SK0909011093 Seoul YONHAP in English 0047 GMT 9 Sep 93

[Text] Seoul, Sept. 9 (YONHAP)—Israeli Foreign Minister Shim'on Peres called his South Korean counterpart, Han Sung-chu, Wednesday [8 September] to explain Middle East peace negotiations and asked for South Korean support for the economic development of Israeli-occupied areas, the Foreign Ministry said Thursday.

In a 15-minute phone call, Peres told Han that Israel's negotiations with the Palestine Liberation Organization (PLO) for mutual recognition and the PLO's temporary autonomy in the Israeli- occupied areas were nearly completed.

Peres asked Han for Korean support for an Israeli-PLO agreement that is expected to be signed soon, ministry officials said.

In addition, Peres asked for support for economic development in the Israeli-occupied areas and expressed hope that he and Han could hold talks when the two visit the United Nations for the General Assembly session in the fall, they said.

Han, in his reply, told Peres that Korea has great interest in realization of peace in the Middle East and promised him that Korea would seriously study the Israeli requests, the officials said.

YONHAP on North's Refusal of 10 Sep Meeting

SK0909085293 Seoul YONHAP in English 0821 GMT 9 Sep 93

[Text] Seoul, Sept. 9 (YONHAP)—North Korea has spurned South Korea's call for a working-level contact on Friday [10 September] to discuss an exchange of special envoys and demanded that Seoul take a clear stand against nuclear war.

"(South Korea) again avoided accepting our basic requirements without any plausible reasons," An Pyong-su, northern-side spokesman for the inter-Korean prime ministerial talks, told Pyongyang's Korean Central News Agency in an interview on Thursday.

He noted that Prime Minister Hwang In-song's message had said it was regretted that North Korea had set preconditions for the working-level contact.

"This shows the southern side is seeking something that is impure and incompatible with the dialogue," an told KCNA.

He then urged Seoul to give "a positive reply with sincerity by Monday next week" and offered to hold a working-level meeting to discuss an exchange of special envoys "on the basis of your side's positive reply" at Panmunjom on or around Sept. 23.

An claimed that North Korea's demand that South Korea halt its "nuclear war exercise" and stop seeking international cooperation on the nuclear issue was a just and reasonable requirement in view of the basic goal of the proposed exchange of special envoys and Seoul's confrontational posture.

North Korea's response to Hwang's message in the name of the spokesman of the prime ministers talks and its postponement of the working-level meeting until after

Sept. 13 are regarded here as an attempt to downgrade inter-Korean dialogue and focus on high-level U.S.-North Korea talks.

"We want dialogue with North Korea with no conditions attached," Vice National Unification Minister Song Yong-tae said in a reaction statement in the afternoon.

He urged Pyongyang to quickly withdraw its "unreasonable conditions" and sit down for working-level talks on Friday.

"We expressed our views on North Korea's two preconditions for dialogue and it's now Pyongyang's turn to answer," he said, hinting that Seoul would no longer propose talks if the communist regime did not change its attitude.

"We doubt the sincerity of North Korea in view of its attaching lopsided conditions to inter-Korean dialogue despite all our efforts," he said.

Editorial Comments on North's Talks Proposal

SK0909104093 Seoul KYONGHYANG SINMUN in Korean 8 Sep 93 p 3

[Editorial: "The North Side's Incoherent Proposal"]

[Text] There is a strong probability that North Korea's recent proposal for the so-called exchange of special envoys at "any level" could end up as just another "proposal," because North Korea clarified on 6 September that it will not attend a vice-ministerial working-level contact for the exchange of special envoys slated for 10 September unless South Korea expresses its clear attitude to suspend "nuclear war exercises" and stop seeking "the international cooperative system." North Korea presented preconditions that are hard for our side to accept; thus, it is attempting to find fault with us. This gives rise to speculation that North Korea is playing tricks to shove the responsibility onto our side for the rupture of the North-South dialogue.

On 8 August, the ROK Government plans to express its position on the North side's preconditions through a telephone message. In relation to this, the ROK needs to make its attitude clear that it will never give up "the international cooperative system" concerning the nuclear issue.

Regarding the issue on the so-called "nuclear war exercise," the ROK-U.S. Team Spirit exercises to date have been military exercises for defense, not nuclear war exercises nor exercises aimed at northward invasion. Thus, it is difficult to accept the North side's claim as it is.

Accordingly, it is unclear whether the North-South dialogue could be resumed through the exchange of special envoys at "any level" as a working-level contact seems to have become deadlocked, dampening the prospects for future dialogue. North Korea has put forward preconditions for the exchange of special envoys at "any level." We wonder whether our side may have considered the North side's new requests to be "routine [uiryejok]" and thus hastily judged that North Korea has changed its attitude. The attention has been focusing on who is going to be appointed as our side's special envoys prior to the holding of a working-level contact to discuss the exchange of special envoys. This fact proves it well.

Judging from the North side's recent preconditions, North Korea's strategy toward the South is much the same old business. With the prospect of a third round of North Korea-U.S. talks, there is a great possibility that North Korea will merely pretend as if it was going to have a North-South dialogue to create a climate for a contact with the United States. This underlines North Korea's intention to completely exclude the ROK in the resolution of the nuclear issue and seek to guarantee its system with the United States as its negotiating partner. This also proves its ultimate intention not to abandon the development of nuclear weapons.

For that reason, there is no need whatsoever for our government to make concessions or to accept the North side's unreasonable preconditions, driven by a desire to realize the exchange of special envoys of "any level" at an early date. The government needs to emphasize that the resumption of North-South dialogue is a precondition for the third round of North Korea-U.S. talks and not to be caught in North Korea's trap.

As long as North Korea does not change its basic strategy to exclude the ROK in the resolution of the nuclear issue, our government should not make too many concessions for the resumption of North-South summit talks and bilateral dialogue. The government should make every effort for the resumption of North-South dialogue, however, it should take prudent and discreet steps to avoid being trapped in a North Korea's snare.

Former NSP Director Defends 'Peace Dam' Plan

SK0809130293 Seoul YONHAP in English 1205 GMT 8 Sep 93

[Text] Seoul, Sept. 8 (YONHAP)—Chang Se-tong, former director of the Agency for National Security Planning (NSP) under President Chon Tu-hwan, on Wednesday defended the controversial construction of the "peace dam."

Testifying before a parliamentary inspection team at the Yongdungpo Prison where he serves a prison term for power abuse charges, Chang said, "we built the 'peace dam' to counter North Korea's Kumgangsan Dam in a bid to ensure the security of the Seoul Olympics."

It was not that the "peace dam" was built unnecessarily out of political purposes, he argued.

Asked why the NSP did not announce North Korea's suspension of their Kumgangsan Dam construction in

May 1987, Chang said North Korea suspended their dam project because of the construction of the "peace dam" and because of their need to concentrate on the Pyongyang Youth-Student Festival.

"I knew they stopped building their dam in early 1987, but I was out of the NSP at that time and therefore was not in a position to announce it," he said.

Saying that he was responsible for all the analyses of intelligence reports and policy recommendation made by the NSP during his office, Chang said the original estimate of the North Korean dam's capacity was 7 billion tons of water.

"Since that estimate was drawn based on unconfirmed intelligence reports, the figure cannot be taken to contradict the later estimate of 20 billion tons," he insisted.

The Board of Audit and Inspection has just reported that a probe into the "peace dam" construction showed Chang and the then President Chon inflated the capacity of the North Korean dam and built the "peace dam" out of a political consideration.

"There can be some contradictions over the dam project if the situation of that time were seen with today's yardstick. Still, the Seoul Olympics could be staged successfully thanks to the 'peace dam,'" Chang said.

Kim Yong-sam Receives Sunkyong Chairman

SK0609095593 Seoul YONHAP in English 0741 GMT 6 Sep 93

[Text] Seoul, Sept. 6 (YONHAP)—President Kim Yong-sam met with Sunkyong Chairman Che Chong-hyon over lunch on Monday to ask him to make efforts to reactivate the economy, presidential spokesman Yi Kyong-chae said.

The president was quoted as asking Che, who also holds the post of chairman of the Federation of Korean Industries (FKI), to take a leading role for early rooting of the real-name financial transaction system.

The president said all FKI member companies should increase their facility investment and develop advanced technologies to enhance the nation's industrial competitiveness.

Kim also told Che to help small- and medium-sized businesses overcome their financial difficulties and learn advanced technology.

Meanwhile, Che proposed to the president that the government consult FKI member companies in enforcing economic policies.

Kim has recently met individually with Lotte Chairman Sin Kyok- ho, Samsung Chairman Yi Kon-hui, Kia Chairman Kim Son-hong, Lucky- Goldstar Chairman Ku Cha-kyong, Pohang Iron & Steel Co. Chairman Chong Myong-sik, Daewoo Chairman Kim U-chung and Hanjin Group Chairman Cho Chung-hun.

* President Kim's Relations with Kim Chong-pil

932C0171A Seoul WOLGAN CHOSON in Korean Jul 93 pp 108-121

[By reporter Sim Yang-sop]

[Text] "Old-generation politicians who are corrupt and incompetent should reexamine themselves."

This was said by Kim Chong-pil, then director of the Korean Central Intelligence Agency [KCIA], at a press conference held immediately after the 16 May 1961, military coup.

Yes, there was a time when Kim Chong-pil—currently chairman of the Democratic Liberal Party [DLP] and under fire from the opposition, reformists and even forces within the government party viewing him as a target of reform and demanding his resignation—himself attacked older-generation politicians. It bears close resemblance to President Kim Yong-sam currently demanding sweat and tears and "repentance and self-examination" on the part of vested interests groups. The nation has come a long way and things have changed indeed.

However, the leaders in the 16 May incident soon discovered that they had no alternative but to embrace old-school politicians whom they had denounced and attacked so vehemently. The ambition of the young military officers who led the revolution ran into the gigantic wall called reality to taste their first frustration. Apparently, it was not as easy as they had thought to carry out their "revolutionary pledge" and wipe out injustices, corruption, and old evils. Let's hear what Kim Chong-pil has to say.

"I was in fact one of those who attacked old-school politicians as tainted. But I found immediately that I was wrong. The point is that politics was not that simple. Once we carried out the revolution, we had to find every one previous for us. All we could do for ourselves was to push and pull people around. Politics was something else and we had no experience in it. So, I kept insisting that politicians be set free. That was one of the reasons I had friction with the Supreme Council for National Reconstruction [SCNR]."

Kim Chong-pil's philosophy at the time was summed up in this word by him: "Politics is 60% reality and 40% ideal." He thus came forward demanding the lifting of the ban on political activities of former politicians. As a result, all former politicians but a few were depurged in 1963. Kim Chong-pil, who had earlier launched an advance organization for what was to be the Democratic Republican Party [DRP] in about May 1965 [as printed], then drew to his side many of the depurged old-school politicians, including Ku Tae-hoe and Kim Chin-man.

At the same time, Kim Chong-pil who embraced old-school politicians even stretched his hand to younger legislators of the Democratic Party [DP]. Among those whom he tried to win over from the DP was Kim

Yong-sam. The then KCIA director attempted to get in contact with him through Yi Pyong-hui, KCIA Seoul office chief. As the result, Kim Chong-pil and Kim Yong-sam met one evening in February 1963.

"Let's work together, Mr. Kim Yong-sam. We need the help of fresh, capable politicians."

"Thank you but I cannot do it, Mr. Kim Chong-pil. I have my way to go."

So, the two just continued to drink until morning, finishing two bottles of whisky each but with no more references to the matter of cooperation in their conversations, as if to respect each other's will on it. That was their first meeting.

The two, thus embarking on different courses when they were in their thirties and full of ambitions, have spent the next almost 30 years sometimes opposing, other times rivaling and still other times cooperating with each other.

In some aspects, however, there seems to be a resemblance between the state of mind of KCIA Director Kim Chong-pil then when he was leading the 16 May "revolution" and that of President Kim Yong-sam today who is leading the "reform." Reminiscing how he felt those days, Kim Chong-pil once said:

"Well, it was a task beyond our ability. Once we carried it out, we had to find ourselves confronted with nothing but new and difficult.... Also, once we seized power, fear came over us.... Then, there were things which we could have done better and things we should not have done—in short, many trials and errors."

Needless to say, there are differences between Kim Chong-pil then, a 35-year-old revolutionary, and President Kim Yong-sam today, a 65-year-old veteran politician. Moreover, the former was No. 2 man managing important matters under SCNR Chairman Pak Chong-hui, but President Kim Yong-sam today is No. 1 man and the nation's top leader both in name and reality. So, it could be true that there can be no comparison between the two. And a more essential difference is that the 16 May incident was a revolution carried out by force and by disrupting the constitutional order while the current reform campaign is led by a civilian government installed by a legitimate election and supported by the people.

Nevertheless, there is a common ground between them. It was a time of upheaval then and it is a time of upheaval now. In general, the seat of power is subject to uneasiness, because whether it is revolution or reform, it is bound to spawn resistance and sometimes even encounter massive reactions.

Late in a recent night, President Kim phoned to Rep. Kang Sam-chae late at night, one of the legislators he trusts most, who are not many, and engaged in what was tantamount to a monologue, a story showing that sort of uneasiness at a time of upheaval.

"I'm doing it good, am I not, Sam-chae?" the president asked.

"Of course, you are. You are doing it good. You should continue to push it," said Rep. Kang.

"What I'm saying is right, I say. I won't quit it for my life, I say," the president continued.

At any time, the top person in power is the most lonesome person. In the voice of young Rep. Kang, President Kim perhaps sought to reaffirm the trust in his own reform program. It is a fact that President Kim, who was first elected to the National Assembly at age 25, thinks much of Rep. Kang, who was in his early thirties when first elected.

Let us take a more detailed look at developments following the 16 May incident, for it is felt that its comparison with the current reform campaign contains some interesting points.

KCIA Director Kim Chong-pil, who brought in old politicians while organizing the DRP as the leading force embodying the 16 May spirit, chose reality over ideal in the economic realm, too. He sought cooperation of the existing business leaders by saying that "to rebuild the economy, we have no alternative but to put them to effective use. Whatever should be done professionally should be done by professionals, isn't it?" One day Chang Ki-yong, then owner of HANGUK ILBO, who later became deputy prime minister, introduced Director Kim to Namgung Yon; when they met, Mr. Namgung made a three-point demand. Namgung said:

"First, the revolution was done well. To make the most of it, you need to have every one participate in the cause, and most important in this respect are businessmen. Only by giving them an opportunity to work can the revolution show its worth. Second, you should see that politicians are put to effective use for their wisdom, experience and ideas, although some are corrupt. You are constantly imposing restrictions on them as they did in the DP days. This is no good. Third, economic activities should be left to the spontaneity and initiative of businessmen. Interference by the government will only cause problems."

After that, a more confident Director Kim Chong-pil met with SCNR Chairman Pak Chong-hui to stress the importance of cooperation with businessmen. As a result, 12 businessmen charged with involvement in irregularity and corruption cases were released from detention. Subsequently, under the lead of Yi Pyong-chol, chairman of the Samsung Group, the Federation of the Korean Industries [FKI] was formed.

Anyhow, Kim Chong-pil and Kim Yong-sam, who met once in the course of founding the DRP immediately after the 16 May incident, traveled their separate paths, diametrically opposite to each other, for more than two decades leading up to the end of the Pak Chong-hui era.

One put everything on the line of rebuilding the economy while the other struggled for democratization, his highest value.

In February 1963, Kim Chong-pil left the country on his first overseas tour in the wake of his feuds with the SCNR triggered by the so-called four major scandals involving Saenara Auto, Walker Hill Hotel, etc., as well as the DRP advance organization issue. After spending some 200 days overseas, he returned to the DRP as chairman. But he had to leave the country again because of behind-the-scenes negotiations relating to the ROK-Japan normalization talks. His ups-and-downs thus continued within the power center. In this period, Kim Yong-sam was crying for official investigations into the four major scandals and against the government's humiliating diplomacy. He became the floor leader of the Masses Party in 1965 and began showing his leadership.

In 1969, after leading struggles against the proposed constitutional amendment for a third presidential term [for Pak Chong-hui], Kim Yong-sam, insisting that the standard bearer should come from among leaders in their forties, mounted a challenge to the presidential candidate nomination. At the time, Kim Chong-pil was in the shadow of a Pak Chong-hui lifetime presidency. He rose to the post of prime minister in the early part of the Yusin [Revitalization] era. In the latter 1970's, when Kim Yong-sam launched the anti-Yusin struggle directly against the Pak Chong-hui regime, Kim Chong-pil remained an unhappy observer under the absolute one-man regime.

When the constitutional amendment bill was rammed through at the National Assembly No. 3 annex building on 14 September 1969, Kim Yong-sam, then floor leader of the Masses Party, cried out that "the DRP has perpetrated a second coup d'etat. Democracy has totally disappeared from this country now and the only thing we have now is a Hitlerite dictatorship," he screamed. Earlier, Floor Leader Kim Yong-sam had been confident that the constitutional revision bill would not be passed because the opposition to it was so strong even within the DRP. After all, however, the opposition failed to block the passage, and at the moment Floor Leader Kim Yong-sam perhaps felt deeply bitter against Kim Chong-pil.

Listen to Kim Chong-pil explain why he failed to block the constitutional revision and Yusin dictatorship at the time, and it may provide a glimpse at his political style and his sorrow and regret as a permanent No. 2.

"Indeed, in the awkward position I was in, there were many things which I couldn't do the way I wished. I am sorry I couldn't block them. I could have opposed them to the end but that could by no means be enough to stop them. In this country nothing can be done unless the president decides to do it.... Since I had pledged myself to share the fate with President Pak, there was no way for me but to follow him as long as he said that he would see that this nation attains its prosperity, and as long as he sticks to his word.... As I grew up in a Confucian family, I learned that even if the lord should not behave like a lord, his retainers should remain faithful to him all the same."

Kim Yong-sam and Kim Chong-pil, thus walking their paths separately, emerged—along with Kim Tae-chung—as potential rivals in the presidential race in the 1980 Spring of Seoul after the death of President Pak Chong-hui, only to meet the misfortune of being kicked out by the new military leadership that took over on 17 May that year. In the darkness of the Fifth Republic of the following years, they found themselves in a sort of misery-makes-strange-bedfellows situation, and when Minjuhyop [Council for the Promotion of Democracy, CPD] was formed in 1983, they would attempt to form a joint front through behind-the-scenes contacts. But Kim Chong-pil left suddenly for the United States, and they were back to their separate courses again.

Even at the time when Kim Yong-sam touched off a new-party typhoon in the 12th general election and, after that, mounted struggles for democracy and a constitutional revision for the direct presidential election, Kim Chong-pil kept silent, engaged in "activity-within-inactivity." Then, after the 29 June 1987 declaration [by No Tae-u, presidential candidate of the Democratic Justice Party, DJP], he moved to muster remaining forces of the Third Republic and found the New Democratic Republican Party [NDRP]. Thus he made a comeback to the first front of politics.

Kim Yong-sam and Kim Chong-pil, who thus followed the entirely different courses for more than 30 years under the authoritarian regime, are also different in their perceptions of what they see.

Kim Chong-pil says: "In my logic, it is a paradox that hungry persons champion democracy. That is a classroom illusion. Hungry persons are not even interested in democracy. Democracy is not a thing that comes by just because you want to have it, is it? Only when time, process and conditions are right can democracy be built on that basis. Right after Liberation, we said that we would be democratic. How did our democracy grow? It did not grow. Why? Because conditions were not right for it to grow."

Kim Yong-sam says: "President Pak Chong-hui is a very pitiable person. I would like to give him a positive rating for his performance in the economic development part at least. Because he is so pitiable. Nonetheless, he is the man who caused our people the severe pains and unhappiness. You hear now and then that you should just look ahead and jump. That is a word of a dictator."

Despite their sharply contrasting political lines, there is one thing common between them. It is that they both grew in a fairly rich family and embarked on a political career early on, full of ambition. Kim Yong-sam was the youngest legislator ever when first elected to the National Assembly at age 25. Eventually, he and Kim Tae-chung came to represent the two major opposition parties in Korea. Meanwhile, Kim Chong-pil launched the 16 May revolution when he was in the mid-thirties and built a brilliant political career for himself, creating the KCIA and serving successive terms as DRP chairman.

Also, despite the difference of their political positions, they are basically conservative parliamentarians, a fact that makes the difference seemingly not so acute. Perhaps these factors shattered the distinction of foe and friend and brought them together in one place at the three-party merger, and into their present relationship.

Kim Yong-sam led powerful struggles for democratization, and as for his method, he mainly fought them through the parliament and elections.

When he failed to win a settlement by dialogue and negotiation, he sometimes resorted to demonstrations of the people's power; in doing so, however, the method was out and out peaceful. He was a nonviolent pacifist. At the time of his campaign for the constitutional revision for direct presidential election system, he said as follows:

"I regard those using violence, students or whoever, as our enemy. Small violence leads to big violence. Our campaign this time must be a nonviolent and peaceful one to the very end. If they beat us, or detain us, or put us in jail, we will let them do so. But, even if we fall, we will rise and fight on."

He is also a dyed-in-the-wool anticommunist. His beloved mother was killed by a local spy's bullets on Koje Island in the fall of 1960. Yet he opposed political retaliations. He emphasized on several occasions that "if any government should resort to retaliations, it would not last even a half year just like a regime installed by a coup."

Likewise, Kim Chong-pil is basically a parliamentary democrat, although his name has become a synonym for intelligence-sustained politics and covert operations just because he founded the KCIA and served as its first director. In a way, he would often emits the fragrance of more refined and Westernized elitism and aristocratism than the other two Kims, Kim Yong-sam and Kim Tae-chung, who had championed mass politics. He disliked the use of such methods as torture and fabrication and the imposing of heavy penalties. While dealing with various counterrevolutionary cases after the 16 May incident, he frequently met the ringleaders in person and talked with them all night through and, only after that, took them into custody, releasing next day.

Needless to say, it is also a fact that the military revolutionary government was involved with many unreasonable things before it gained stability. Kim Chong-pil admits this point, too.

He says: "Revolutions are all like that. Look at the French Revolution. Comrades yesterday were enemies today, killing and being killed. Not a single drop of blood was shed in our case, however. Moreover, the only reason we did it was our patriotism, not any desire for personal advancement.... In the process, however, I understand that there were cases in which opponents were dealt with as counterrevolutionaries. In the cases I worked on, if any of the involved were subjected to excessive crackdown, I cannot be too sorry for them."

There were more cases proving that Kim Chong-pil was a parliamentarist. When the opposition mounted a lengthy parliamentary boycott to protest the rigging in the 8 June [1967] general election for the seventh National Assembly, he was virtually the only leader within the ruling camp advocating negotiation and compromise. "We should make concessions wherever we can to bring the opposition back into the session," he counseled President Pak who showed little interest in such negotiations from the beginning. As the result, a deal was struck 6 months after the start of the boycott and opposition legislators showed up in the National Assembly. But the session was again thrown into chaos as the ruling party, led by hard-liners at the time, failed to honor the pact with the opposition. Nevertheless, there were no further interruptions thanks to the role played by Kim Chong-pil.

At the time of the expulsion of Kim Yong-sam, then chairman of the New Democratic Party [NDP], from the National Assembly, Kim Chong-pil again opposed it.

"At the time, the ruling party was under the control of Cha Chi-chol. I protested, even to the party chairman, that we must not treat the president of an opposition party like that. It is not right, I said. When it was put to a vote, there was only one ballot against it and it was my vote. Mr Kim Yong-sam knows it."

Then, why did newspapers report at the time that NDP President Kim Yong-sam's expulsion was approved unanimously at a National Assembly plenary session attended by ruling party members only? Explaining, Rep. Cho Yong-chik said that that day the voting was carried out amid the continuing government-opposition confrontation but the speaker had to declare the session closed even before the ballots were counted. When the ballot box was opened later, there was only one negative vote and it was by Kim Chong-pil, Cho said.

While being dragged toward the constitutional revision for a third presidential term and Yusin program against his will, Kim Chong-pil lost opportunities for a presidential bid for himself. And after the 26 October [1979 President Pak Chong-hui assassination] incident, he had a chance of being elected the president by the National Conference for Unification [NCU] but chose to turn it down. It is another episode offering a glimpse at his parliamentarism. The DRP asked him to be a candidate for the president elected by the NCU but he showed no interest in it from the beginning. "I will subject myself to the people's judgement fair and square in 1980," he said.

He says: "Some say I made a mistake then, but I had no regret. I have no regret even now. I find so much more peace in my mind in what I have been than in whatever I could have been under the Yusin Constitution. I believed that only when the Yusin era is brought to an end can the nation be free and make a new start."

Like this, there was between Kim Yong-sam and Kim Chong-pil a common viewpoint and mutual understanding of each other's political style. Apparently because of this factor, they could form the "ties of friendship and conviction" at their golf party in the fall of 1989.

Then, how did the two view Kim Tae-chung? Kim Yong-sam was always vexed by covert operations of authorities seeking to saw discord and jealousy between him and Kim Tae-chung. However, the severer the oppression, the closer solidarity did he show with Kim Tae-chung. Kim Yong-sam and Kim Tae-chung thus cooperated in adversity. But they split more often than not when the situation improved. In Kim Yong-sam's case, he apparently believed that since he had accepted the NDP national convention decision with good grace and supported Kim Tae-chung as the party's 1971 presidential candidate, it was the latter's turn to support him in the 1980 or 1987 election.

Kim Yong-sam won more votes and became the runner-up in the 1987 presidential election, but in the 1988 general election he had to yield the position of No. 1 opposition to Kim Tae-chung. under the four-party system, Kim Yong-sam felt a profound sense of alienation, which culminated when No Tae-u and Kim Tae-chung collaborated in early 1989 to arbitrarily withhold the promised interim rating of President No's performance. Then came the bribery scandal involving a by-election candidate in Tonghae City, Kangwon Province, which further undermined his political influence. Until then, he had virtually ignored Kim Chong-pil who was the president of the fourth party; as both found themselves in a critical situation, their relationship became rapidly closer in the summer of 1989. And eventually, Kim Yong-sam joined hands with No Tae-u and Kim Chong-pil, his political foes till then, and carried out the three-party merger.

In politics, Kim Yong-sam basically attached greatest importance to integrity. So much so he, for instance, said in the 1986 summer: "Among those who come and go, who went from the opposition to the government party, do we know anyone having won the respect of the public?" There was a time of course when he, as a novice politician, moved from the ruling Liberal Party to the opposition DP, but after that, he had held on to the opposition steadfastly. Therefore, when he became a partner to the three-party merger saying that "I made the important decision not for power for myself but for the interests of the nation and the state," people in fact looked on him with suspicion.

In Kim Chong-pil's case, while acknowledging Kim Tae-chung's contributions to democratization, his consistent position was that he can never support his political ideology or style. He ruthlessly attacked Kim Tae-chung's Party for Peace and Democracy [PPD] at the time of the 1989 political wrangling over public security issues. Again at the time of the 1990 local assembly elections, he raised questions about the color of the NDP that had earlier been led by Kim Tae-chung, wherever he went. This even led to bitter, emotional exchanges between the two, with Kim Tae-chung countering the party color issue raised by Kim Chong-pil against the NDP by exposing that "Mr. Kim Chong-pil engaged in money politics in Puyo while processing party endorsement for candidates in the provincial assembly election." Kim Chong-pil then accused Kim Chong-pil of defamation, threatening a lawsuit.

Kim Chong-pil's golf outing with Kim Yong-sam in the 1989 fall led to rumors of a honeymoon between Kim Yong-sam's Reunification Democratic Party [RDP] and Kim Chong-pil's NDRP. Asked how he viewed the RDP at the time, Kim Chong-pil said:

"Relatively, it is not so fickle. So we say let's cooperate. Since each party has its own basic policy, ideology and action pattern, there can be a conflict of opinions between us. But if you quarrel at every little unpleasant thing as if it were a conditioned reflex, and if you break away or change your mind under the pretext of a new situation, it is not a friendship."

In other words, Kim Chong-pil was saying that Kim Tae-chung's PPD is always changing its line and therefore unreliable. The comment clearly indicates how deeply he distrusts Kim Tae-chung's political style.

Meanwhile, at the extraordinary National Assembly session in May this year, Kim Chong-pil officially apologized to Kim Tae-chung for an DLP-level attack during the 1992 presidential campaign on the latter's alleged procommunist subversive activity. It was against his will but Kim Chong-pil had to do so on behalf of his party to improve the relationship with the opposition. It is significant that he, granting the indulgence, declared that "the DP is not a procommunist party. Likewise, Mr. Kim Tae-chung is not a procommunist." In this connection, many political observers said that Kim Chong-pil did so because if Kim Tae-chung should return to politics, he will find no one to rival him in the ruling party but Kim Chong-pil, and that if things go that way, it will push up the image of Kim Chong-pil himself. Even now, Kim Chong-pil is firmly convinced that Kim Tae-chung will return to politics. On several recent occasions, he expressed his concern about Kim Tae-chung's movements.

The three-party merger in January 1990 demonstrated the unambiguously cooperative relationship between Kim Yong-sam and Kim Chong-pil. No sooner had the merger been made than the two entered into a competitive relationship. It was at the time of the nomination of the DLP presidential candidate in May 1992 that they returned to their cooperative relationship. For two years following the three-party merger, Kim Chong-pil had taken a position to keep Kim Yong-sam in check. But at the last minute of a showdown, he again joined forces with him.

The rivalry between the two in the wake of the three-party merger found its expression in the controversy triggered by the proposed shift to cabinet system. While Kim Yong-sam, who thought that he was in for the next presidency, was negative to the proposal, Kim Chong-pil on the other hand, who as the No. 3 stockholder of the DLP stocks had to hold the casting vote as a way of survival, put everything he had on the line for a shift to cabinet system.

From the beginning, Kim Yong-sam had viewed the DJP faction as ridiculous. Being power-oriented as they were, all members of the DJP faction thought that if only they secure the basic control of the party, they would be in for power. So, Kim Yong-sam staked everything on seizing party control through a direct showdown with President No Tae-u rather than trying to reach a compromise with the DJP faction. And he made inroads—with a terrible destructive power—into the DJP faction which had no experience in an intraparty struggle.

Kim Chong-pil tried to tie up with the DJP faction by criticizing Kim Yong-sam's moves. He charged that for the sake of behavior befitting No. 2 man, it is wrong that he tries to stand equal with No Tae-u. He also charged that Kim Yong-sam, while being party chairman, failed to act from a position representing the DLP as an amalgamation of the three factions—DJP, RDP and NDRP. Also, he lost no opportunity to attack the lingering opposition-type political behavior on the part of Kim Yong-sam which the latter failed to correct promptly enough.

The feud between the two, which continued to lie low despite all these developments, came out and peaked in the controversy over a memorandum concerning the cabinet system issue in the 1990 fall. Kim Yong-sam unilaterally declared the memorandum of agreement on cabinet system null and void, abandoned his party office and went to Masan. Kim Chong-pil denounced his behavior as childish. But the memorandum incident ended in Kim Yong-sam's victory when No Tae-u, who was forced to choose between the two, "abandoning the cabinet system plan or dividing the party," chose the first.

As the cabinet system plan faded, the situation turned rapidly in favor of Kim Yong-sam. The only choice left for Kim Chong-pil was support Kim Yong-sam or challenge to the party nomination himself. If the cabinet system plan had been approved, it could have obligated him to yield—for the sake of political morality—the first premiership to Kim Yong-sam. Now that the plan was scrapped, he was under no obligations to support Kim Yong-sam. The question for him was whom he should support then.

At the outset, he paid no attention to Reps. Pak Tae-chun, Yi Chong-chan, Yi Han-tong and Pak Chol-on. Kim Chong-chol—who had thought that in no respect he was behind Kim Yong-sam and Kim Tae-chung and who was as much a man of self-respect as anybody else—talked about a generation change but did not really mean it. In fact, he once mentioned the names of Reps. Yi Chong-chan and Yi Han-tong but it was a way to put the pressure on Kim Yong-sam that "if you don't accept the cabinet system plan, I will support somebody else for the presidential candidate."

Kim Chong-pil seemed to have thought about challenging Kim Yong-sam into a one-on-one race for the DLP presidential candidate. But the problem was that he was in no position to say without being asked that he would be a candidate himself. To do so, he needed the support of President No Tae-u or at least a nominal backing by anti-Kim Yong-sam elements in the DJP faction.

But neither came by. And he was exhausted in the wake of the miserable defeat of his faction in the general election. Eventually, after visiting Chongwadae on 8 April 1992, he met with Kim Yong-sam in the evening the same day to pledge his support. It was a risky path he trod but eventually, by tying up with Kim Yong-sam, he returned to No. 2 position which he had occupied for 18 years in the days of the Pak Chong-hui regime.

This political behavior of Kim Chong-pil's has been criticized as "tightrope walking" or "acrobatic feat" or "opportunism taking the side of the winner." It is reminiscent of former Japanese Prime Minister Nakasone who, as the boss of No. 4 faction in the ruling Liberal Democratic Party, was so sensitive to power dynamics between factions that he was nicknamed "Kazamidori" (weathercock).

The moral is that man is not opportunist from the beginning but, when left with no power, could find himself having no alternative but to resort to opportunism as a political tactic. And once opportunity arrives, he would act full of life like fish returned to its element.

Kim Chong-pil, after deciding to support Kim Yong-sam in the DLP vote for the presidential candidate last year, demanded the latter to institute a cabinet system-type administration. Noting that the present constitution contains an element of cabinet system, he asked Kim Yong-sam to respect that element. His demand was, in short, that a prime minister be nominated from among party members, and that after the National Assembly's endorsement of the nominee, the president appoint cabinet members in consultation with the prime minister. Eventually, party Policy Board Chairman Hwang

In-song was appointed the first prime minister, and Kim Chong-pil views the appointment as reflecting his demand.

Is Kim Chong-pil still unable to give up cabinet system, his pet plan? At his home in Chonggu-tong on the morning of 10 June, he told reporters:

"We need to examine the two by-elections held this year carefully. However loudly we may cry out for inexpensive elections, it is of no avail. In the present climate, elections cost money. For truly clean government, the election system has to be overhauled. Most costly of all the elections is the presidential election. A presidential election costs more money than the elections of National Assembly members in the 237 districts combined. It is not authorized to receive political funds. Then, where should the money come from? The only way is for the National Assembly to elect a president in an indirect election."

The relationship between Kim Yong-sam and Kim Chong-pil at present is evidently a vertical one. One is the president of the state and of the party while the other is party chairman comparable to a hired president of a business company.

In the present stage, Kim Yong-sam needs Kim Chong-pil. Only by having Kim Chong-pil as party chairman can he prevent a potential candidate for the next presidency from surfacing prematurely. He is unable to find a replacement for him either—even more so since Kim Yong-yun, adviser to the president, was defeated in a 11 June by-election. The existence of Kim Chong-pil is useful to President Kim Yong-sam in the process of reforms as well which the president is pushing while driving forces of the former ruling camp to the corner.

This does not mean that Kim Chong-pil has any real power, however. The real power stays with President Kim Yong-sam and key officials of his RDP faction. Kim Chong-pil is only No. 2 man as he was as vice president of the DRP in the days following the constitutional revision for a third presidential term for Pak Chong-hui and as prime minister in the Yusin era. It is nothing new for Kim Chong-pil, who is said to have made not a single cabinet minister on the strength of his recommendation in the years he served as Yusin prime minister.

Accordingly, the present role of DLP Chairman Kim Chong-pil is a limited one. Since the start of the new government, he has been playing the role of a brake to adjust the speed of reform, the role of a pacifier to mollify forces of the former ruling camp including the DJP faction which is now classified as a force of vested interests, and the role of transmitter to collect public opinions of stability-seeking forces and report them to the president—namely, the roles that are neither glorious nor impressive and only comparable to those of firemen.

Nonetheless, the Kim Chong-pil management has gained added stability in the wake of the resignation of Choe Hyong-u as DLP secretary general and the election defeat of Kim Myong-yun. In a way its protraction is likely.

The two meet all by themselves once a week at Chongwadae in what they call the weekly get-together. There they talk back and forth on many things. Kim Chong-pil would report on what has occurred in the party during the past week and how things are running; President Kim Yong-sam would listen, then giving his decisions and instructions. Reporters and cameras are not allowed to ensure, according to Kim Chong-pil, privacy and informality of the meeting. After leaving Chongwadae, the party chairman would announce only the official parts of their discussions concerning party affairs through his spokesman, Kang Chae-sop, keeping mum on the rest.

It is known that Kim Chong-pil speaks rather frankly at the weekly session on behalf of the older generations, conveying to the president straightforwardly concerns expressed over the current reforms by people of various strata, including the DJP faction within the party, business circles and citizens from the five North Korean provinces. As their weekly meeting continues, a relationship of mutual trust, deeper than known in a sense, is in the making between the two, it is said.

Needless to say, the basic difference of perception remains unchanged between them. A typical example is their view of the 16 May incident. Kim Chong-pil's "theory comparing the 16 May revolution to the four steps in composition—the introduction, the development of the theme, conversion, and summing up" may have hurt President Kim Yong-sam's feelings to some degrees. In the meantime, however, the latter's press conference remark that "the 16 May incident was a coup d'etat and, as such, it pushed back history" was something for Kim Chong-pil to feel sorry about. But they seem to see things like that as no more than a difference of historical view between the two individuals.

There is no doubt that the theory of Kim Chong-pil on the 16 May incident was not designed to undermine the legitimacy of the civilian government. It asserted that there should be no disruption of history and that the Fifth Republic and the Sixth Republic as well as the Third Republic are a history whether we like it or not. It did not mean either that the Third Republic was similar to the Fifth or the Sixth Republic. It meant that on the accumulations of them all does the present government stand, but not that the present government is on an extension of the Fifth and Sixth republics. It is one of the things Kim Chong-pil had told the president prior to his inauguration that the past history should not be denied root and branch.

Likewise, President Kim Yong-sam's press conference remark characterizing the 16 May incident as a coup d'etat was not aimed at Kim Chong-pil. A victim of the incident, he merely said what he had been saying. Over the part of his remark that the incident pushed history back, sending it sliding backward, opinions are divided but there will be no problems should it be taken as President Kim's personal view. In fact, it is more so since the president, after saying that the 16 May incident was a coup d'etat, added that as for the ultimate judgement on it, he would leave it to history.

What will be the roles of the two in the future. President Kim, at a press conference on 3 June marking the 100th day of his administration, declared that "there will be absolutely no revision of the constitution during my term." What he meant is that he will retire with good grace when he has served his five-year term. He seems to be determined to do his best to stamp out corruption and irregularities, revitalize the economy, establish social discipline, and lay foundations for national reunification, putting all other thoughts out of his mind during his term, and by doing so, to become a president whose name stays in the book of history. He once said in his opposition party days:

"It is my earnest desire to see before I die such scenes in our country as that of a gray-haired former president taking a walk in places like Namsan with no security men with him, and talking with senior citizens and children about the old days."

It seems that still lingering in Kim Chong-pil is the temper of the ambitious, stormy days. A man bearing the original sin of the 16 May incident and subjected to all sorts of scorns until recently, the DLP chairman would emphasize at every opportunity that he should retire.

President Pak Chong-hui died. All his key aides who led the era under him are also dead or retired, except Kim Chong-pil. In this situation, the whole responsibility for the 16 May incident and the Third Republic falls on him, the only remnant still active politically. For whatever he says now, he is destined to be more criticized than praised. He must be carrying some hidden pains in his heart.

It is said that the reason Kim Chong-pil is staying on in politics despite all the scorns is for him to make up for the past mistakes. Be it an original sin or whatever, there will be, he believes, a way to make amendments, however small they may be, if he uses an opportunity given him and devotes the rest of his life and his sincerity to the task it brings to him. He has been saying that "important in a man's life is not to win a victory but to make efforts."

* Reform Movement Also Touches National Assembly

932C0177A Seoul CHUNGANG ILBO in Korean 29 Jun 93 p 4

[Article by reporter O Byong-sang

[Text] As the times of change and reform come around, the National Assembly and assemblymen themselves are changing as well.

The National Assembly, which should be staying up all night discussing state affairs, was not open for months, and even when open, it made no progress, constantly yelling and arguing between the ruling and the opposition parties. Now these problems, due to reform, may disappear.

At the same time, there will also be changes for those who were absent from the National Assembly even during session, to officiate at weddings of their electorate and to be intent on making money in order to send wreaths and gratuities for the events of the electorate.

On the 25th of the month, the "Junior Committee for Improving Steering System of the National Assembly" (chairman Yi Sung-ho) agreed to revise the moral principles which would improve the activities of the assemblymen. On the 27th of the month, a junior committee of the Democratic Liberal Party adopted a bill revising the National Assembly Law which could reform the steering of the National Assembly.

The bill revising the National Assembly Law adopted by the Democratic Liberal Party is to improve the steering of the National Assembly, which has been criticized as ineffective thus far.

The bill forces the National Assembly "to organize the governing body" which is essential for it to play its role. "Organizing the governing body" means the activities to elect a chairman group to preside over conferences, to organize the standing committee, and to elect its chairman.

Even if every member of the National Assembly was elected in a general election, without the governing body, it is nothing but a titular one.

The bill adopted by the Democratic Liberal Party to prevent the ineffective activities of the National Assembly prescribes that a special session of the National Assembly shall convene within 10 days of the start of the assemblymen's terms to organize the governing body.

The bill contains a regulation to convene a special session of the National Assembly to elect a new chairman of the standing committee within one week prior to the expiration of the term of the standing committee's chairman, whose term of office is two years. Every party must submit a list of would-be members of the standing committee within five days of opening of the special session of the National Assembly. If no parties submit the lists, the chairman of the National Assembly can urge the parties to do so within one week. If that is not done, then the chairman shall assign the members of the standing committee on his authority.

Even if the organization of the governing body has been completed, the activities of the National Assembly would be ineffective unless the agenda is adopted, due to the differences between ruling and opposition parties. To prevent this kind of situation, the Democratic Liberal

Party prepared a bill that the chairman should have the authority, that is, "Authority Consulting Proceedings" with the chairman group and chiefs of the general affairs of the political parties.

The Democratic Party is against the plan, for fear that the ruling party would steer the National Assembly in a partial way, that is, if the chairman, an assemblyman from the ruling party, has the authority to expedite the proceedings, he would tend to do so in favor of the ruling party. But the Democratic Liberal Party asserts that the chairman's authority is not one that allows him to steer by force the National Assembly at his own will, but one that allows him "to arbitrate the differences between ruling and opposition parties" through dialogue and compromise.

The Democratic Liberal Party also prepared a bill that reduces personal speaking time in order to have more assemblymen get the opportunity to speak in a limited time.

The main point of the bill is to allow many assemblymen to speak about many subjects; speaking about common issues should be limited to 15 minutes, down from 30 minutes, speaking about his personal affairs or supplementary speaking should be limited to 5 minutes and a representative speech should be limited to 30 minutes, down from 40 minutes.

The Democratic Party is opposed to this point on the ground that it would reduce the opportunity for debates.

However, the Democratic Liberal Party asserts that it does not mean to reduce the speaking hours but means to increase the number of speakers.

Besides, the Democratic Liberal Party is preparing to revise the bill that prescribes advance notice of legislation by assembly members and adjustment of the standing committee in accord with the bill revising the National Government Organization Act which the Administration Renovation Commission is preparing for. No one can predict the outcome until these bills are passed through the National assembly under an agreement of ruling and opposition parties. But there can be no differing opinions on reforming those existing problems.

On the other hand, the moral practical rules of the National Assemblymen that were already adopted under an agreement of ruling and opposition parties are regarded as a device leading every assemblyman to reform himself. Every assemblyman, ruling or oppositional, has come to be rid of the worry, "being a slave of his electorate."

First, the revising moral practical rules mostly eliminated objects to be paid from the electorates, making possible "clean politics" or "inexpensive politics."

It prohibits the sending of wreaths, excessive gratuities, contribution or condolence money for happy or ill events of the electorates and presents or calendars at the end and beginning of the year.

Yi Sung-ho, chairman of the Junior Committee, said "As a result of the revision of the rules, assemblyman from the electorate could save 5 to 6 million won of expenses a month. The main problem is that many electorates ask for money and goods as usual. However this kind of problem will gradually disappear as consciousness of the electorates changes."

The new rules also prohibit unnecessary long-term foreign travels or activities for the electorates during the Assembly session, in order to have them carry out faithfully state affairs, which are likely to increase due to the revision of the National Assembly Law. In addition, it prescribes "the duty to attend faithfully" official conferences. Whether assemblymen carry out faithfully state affairs or not depends finally on their good sense. There will be no more empty seats during sessions in the National Assembly Building.

Henceforth, it is the job of the electorate to watch how much work the National Assembly does and how faithful the assemblymen become.

Burma

SLORC Releases 68 Detainees 8 Sep

BK0809140093 Rangoon Radio Burma in Burmese 1330 GMT 8 Sep 93

[Text] It has been learned that 68 male detainees, against whom action was taken under existing laws and who were serving their sentences, have been released from Myaungmya Jail today after their remaining sentences were commuted in acordance with Declaration No. 11/92 of the State Law and Order Restoration Council [SLORC].

Two Dissidents Return to Embassy in India

BK0309153993 Rangoon Radio Burma in Burmese 1330 GMT 3 Sep 93

[Text] It has been learned that Ko Ko U, with a position equivalent to internal and external foreign relations officer at the New Delhi-based office of the National Coalition Government of the Union of Burma [NCGUB], the parallel exiled group, and his wife Ma Saw Nan Mu, alias Ma Mawree, have returned to Yangon [Rangoon] on 26 August after having returned to the lawful fold at the Myanmar [Burmese] Embassy in India.

Ko Ko U is the son of U Htwe of No. 146, between 31st and 32d Street, 84th Street, Mandalay, and Ma Saw Nan Mu is the daughter of U Pyarlar of (Tarnga) Ward, Kale.

Ko Ko U participated in the 1988 disturbances. On 2 July 1990, he went to Moreh on the other side of the country [India] to go underground and later joined an insurgent organization.

In April 1992, Ma Saw Nan Mu moved from Kale to (Aizar) on the other side of the country and earned her living by running a beauty salon. They were married in December 1992.

There are nine members in the New Delhi-based office of the NCGUB. They make their living by receiving allowances from the UNHCR. Ko Ko U and his wife also received the allowances from the UNHCR. They have to make their living by soliciting donations from many organizations in New Delhi India and by receiving allowances from the UNHCR. There is also no unity among the nine members and the leaders are working for their own vested interests. Because of these facts, his wife's pregnancy, the realization of their uncertain future, and gaining a correct view, they decided to returned to the lawful fold.

National Convention Plenary Session Meets 7 Sep

Member on Power Sharing

BK0809080793 Rangoon Burma Television Network in Burmese 1530 GMT 7 Sep 93

["Excerpts" of the review report by the Panel of Chairmen presented by panel member U Ba Han at the National Convention Plenary Session held in the President's House Compound in Rangoon on 7 September—recorded]

[Text] Convention Delegates: In the course of discussions and suggestions presented by delegate groups on the fundamental principles related to administration, out of the fundamental principles of the state, it is found that they clearly recommended exercising and sharing the three powers among the central level and divisions and the central and major regions and states, and the establishment of a system of checks and balances.

They also suggested that the sharing and exercising of administrative powers, rights, and responsibilities of the authorities from the central to the lower levels be accurately prescribed in accordance with the constitutional provisions. They also recommended that in doing so, the right of self-determination of the indigenous races should be considered within the framework of perpetuating national sovereignty and in accordance with democratic practice. It is also found that they clearly recommended the presidential system of adminsitration.

Therefore, we conclude that in prescribing the fundamental principles of the state related to administration, it should be prescribed that the head of state shall be president; administrative power shall be shared by and entrusted with the union, major regions, and states; and autonomous power [kopaing okchok ye arhnar] shall be granted to self-administered areas in accordance with constitutional provisions.

Convention Delegates: If we comprehensively analyze the suggestions by the delegate groups on the fundamental principle related to participation of members of the Defense Services in administration in the union, major regions, states, self- administered areas, and districts, we can see that the suggestions prescribe that consideration should be given to the important role of the Defense Services in accordance with the country's traditions. The suggestions noted that the Defense Services is a consolidated and united national force, and that in times of national emergencies, the Defense Services had assumed responsibility for national security, law and order, and administration, in addition to its regular responsibilities. It is also noted that, presently, the Defense Services are safeguarding the national sovereignty, race, and religion, while engaging in endeavors for national construction and economic reforms. It is suggested that it will be necessary to contain the threat of internal and external subversion in the future. Therefore, it is recommended that the Defense Services, which are deep in tradition and experienced, join hands with the people, including the national races from the border regions, and to ensure its involvement in national politics. It is found that the suggestions by the delegate groups recommended that members of the Defense Services nominated by the commander-in-chief of the Defense Services participate in administration from the central down through the district levels according to appropriate positions and ratio.

Therefore, it is found in our comprehensive analysis of the suggestions that in order to allow participation of members of the Defense Services nominated by the commander in chief of the Defense Services to carry out responsibilities for defense, security, and border region administration in the Union and regions, the fundamental principle be prescribed that members of the Defense Services nominated by the commander in chief of the Defense Services be included in administration of the Union, major regions, states, self-administered areas, and districts in order to discharge responsibilities for defense, security, and administration.

Member on Judicial Principles

BK0809082193 Rangoon Burma Television Network in Burmese 1530 GMT 7 Sep 93

["Excerpts" of review report by the Panel of Chairmen presented by panel member U Mya Sein at the National Convention Plenary Session held in the President's House Compound in Rangoon on 7 September—recorded]

[Text] Convention Delegates: The fundamental principles on the judiciary contained in the fundamental principles of the state presented by delegate groups in their discussions at the convention can be reviewed as follows: The administration of justice should be independent and in accord with the laws in order to promote the Principles of Lawkapala [eternal]; the administration of justice should be public, except in matters restricted by law; the right of defense and appeal in legal matters should be guaranteed; no criminal law shall be retroactive; and no law shall provide for punishment which would degrade human dignity.

Some delegate groups suggested administration of justice by jury; no assumption of guilt until and unless judged by the court; equality before the law for every citizen; sentences passed on convicted persons should take into consideration the chance of rehabilitation and reform. Some suggested there should be no detention and restriction of a person for more than 24 hours without a court order.

The related suggestions that should be mentioned would be included in respective chapters. Therefore, it is concluded that the following should be prescribed as the fundamental judicial principle to be enshrined in the fundamental principles of the state: independent administration of justice according to the law; public administration of justice, except in matters restricted by law; right of defense and appeal in legal matters; no criminal law shall be retroactive; and no law shall provide for punishment which would degrade human dignity.

Member on Justice, Freedom

BK0809122593 Rangoon Burma Television Network in Burmese 1530 GMT 7 Sep 93

["Excerpts" of review report by the Panel of Chairmen presented by panel member U Tin U at the National Convention Plenary Session held in the President's House Compound in Rangoon on 7 September—recorded]

[Text] National Convention Delegates: The delegate groups have clarified in their suggestions that a fundamental principle should be adopted for the development of Lawkapala [Eternal] Principles of Justice, Freedom, and Equality.

Therefore, a fundamental principle should be laid down for the development of Lawkapala Principles of Justice, Freedom, and Equality in the country that all citizens shall have the right to enjoy the equality, freedom, and justice as prescribed in this constitution.

Member on Citizenship

BK0809132593 Rangoon Burma Television Network in Burmese 1530 GMT 7 Sep 93

["Excerpts" of review by the Panel of Chairmen presented by panel member U Myo Thant at the National Convention Plenary Session held at the President's House Compound in Rangoon on 7 September—recorded]

[Text] National Convention Delegates: In reviewing the delegate groups' suggestions on the fundamental principles concerning citizenship, naturalized citizenship, and revocation of citizenship it was noted that every person born to parents who are members of national races shall be a citizen and that all citizenship matters shall be in accordance with the law.

The main facts regarding the suggestions should be prescribed in the formulation of fundamental principles and detailed facts should be included only when chapterwise discussions are made.

Therefore, a fundamental principle should be adopted on citizenship, naturalized citizenship, and the revocation of citizenship that every person born to parents who are members of national races is a citizen, those who are already legal citizens on the day this constitution is ratified are citizens, and that all citizenship matters shall be in accordance with the law.

National Convention Delegates: In assessing the delegate groups' suggestions on the fundamental principle regarding the freedom of citizens, the following were noted: there should be social justice, economic justice, and political justice for all the people in the country based on the Lawkapala [Eternal] Principles of Justice, Freedom, and Equality. Moreover, all citizens shall be equal in status, opportunity, and in the eyes of the law.

These suggestions also include the granting of freedom of speech, publication, organization, religious belief, ownership, and livelihood in line with democratic principles and in accordance with the law. They also stressed the need to avoid the excessive use and abuse of those rights and the legal duties and responsibilities of citizens. The suggestions also stipulate that all citizens enjoy these rights equally.

Therefore, a fundamental principle should be laid down for the promulgation of a necessary law on the freedom, rights, benefits, responsibilities, and restrictions of citizens. With this, I conclude the second day session of the Panel of Chairmen's Review Report presented at the National Convention Plenary Session. [applause]

NLD Chairman Urges 'Genuine' Democracy

BK0809131293 Hong Kong AFP in English 1254 GMT 8 Sep 93

[Text] Rangoon, Sept 8 (AFP) - Delegates from political parties attending Burma's constitutional convention here expressed disappointment Wednesday [8 September] over the preliminary results of the meeting—which appears to be heading towards enshrining a permanent politcal role for the miltary.

Aung Shwe, chairman of the National League for Democracy (NLD), said if his party were given the chance to speak again it would still press for a genuine type of democracy with an elected legislature.

He continued to insist that at this stage in the proceedings nothing was conclusive and the final outcome was still open to debate.

But the majority of the delgates, many of them handpicked by the junta, who have been arguing for a power-sharing role for the miltary in politics, expressed quiet satisfaction over the outcome of the meeting so far.

One military delegate said a "new revolution" was taking place which boded well for the country and its people. Burma was entering a new era, he insisted.

Burma's junta, which took power almost five years ago scrapping an earlier constitution, has been insisting that a new charter guarantee it a leading role in politics.

A panel of chairmen has since Monday been delivering its overall appraisal of earlier submissions from delgates, and has found them generally favourable to the miltary's demands.

The panel said on Tuesday that Burma would in future have an executive presidency, with candidates' apparently drawn from the military and elected by an electoral college.

The miltary would be proportionally represented in a bicammeral legislature as well as in the country's administration, from the central level down to the district level.

The miltary would also have the right to make independent decisions on military matters, the panel said.

Meanwhile, the state-run media said Burma's junta, officially known as the State Law and Order Restoration Council (SLORC), was doing all it could to see that a new consitition reflected public aspirations.

All eyes were watching the on-going national convention, which began in January, and the people were "pinning their hopes ... (on its) fruitful outcome," the NEW LIGHT OF MYANMAR newspaper said in an editiorial Wednesday.

The public wanted to see the outcome it was waiting for, the sound and logical principles which would pave the way for the drafting of a "strong and durable constitution," the paper said.

"What is most important is the outcome of the deliberations ... not the immediate, but the subsequent, when the new national charter will spell out what is in the best national interest," the paper said.

National Convention Plenary Session Meets 8 Sep

Chairman on Citizenship

BK0809100793 Rangoon Radio Burma in Burmese 0630 GMT 8 Sep 93

[Text] The National Convention Plenary Session was held at 1000 this morning in the Central Meeting Hall at the President's House compound on Ahlone Road, Yangon [Rangoon]. It was attended by Lieutenant General Myo Nyunt, chairman of the National Convention Convening Commission [NCCC], Lt. Gen. Maung Thint and Brigadier General Myo Thant, NCCC vice chairmen, and NCCC members; U Aung Toe, chairman of the National Convention Convening Work Committee [NCCWC], U Tha Tun, NCCWC vice chairman, and NCCWC members; Brig. Gen. Tin Aye, chairman of the National Convention Convening Management Committee [NCCMC] and NCCMC members; national convention delegates, and local and foreign reporters.

U Wan Tin of the special invitees delegate group acted as alternate chairman and U Myo Thant, U Tun Yin Law, U James Bond, U Mya Sein, U Thein Lwin, U Tin U, U Ba Han, and Colonel Thaik Tun served as panel members. U Khin Maung Myint, director general in charge of meetings from the NCCWC office, acted as secretary of the meeting.

First, the secretary of the meeting announced the validity of the meeting as 645 of the 698 National Convention delegates attended the plenary session.

Next, a comprehensive review on the proposal papers—which were presented and submitted by national convention delegate groups on formulation of fundamental principles, which are suitable to be included in the constitution—was presented to the national convention plenary session by the panel of chairmen.

First, Alternate Chairman U Wan Tin explained the evaluation on equality in the eyes of the law and the responsibility of the citizens to safeguard the the three national objectives—the preservation of the union, the preservation of national solidarity, and the perpetuation of national sovereignty. Next, panel member U Mya Sein presented the assessment on the rights of citizens. Then, panel member U Thein Lwin reviewed the fundamental policies concerning cultural matters. Finally, panel member Col. Thaik Tun presented the evaluation of basic principles concerning matters relating to least developed nationalities and regions, peasants, and workers. The morning session of the charter meeting recessed for lunch at 1125.

The National Convention Plenary Session afternoon session is in progress.

Chairman on Election Principles

BK0909083993 Rangoon Radio Burma in Burmese 0630 GMT 9 Sep 93

[Text] The National Convention Plenary Session was held at 1000 in the Central Meeting Hall at the President's House compound on Ahlone Road in Yangon [Rangoon]. It was attended by Lieutenant General Myo Nyunt, chairman of the National Convention Convening Commission [NCCC]; Lt. Gen. Maung Thint and Brigadier General Myo Thant, NCCC vice chairmen and NCCC members; U Aung Toe, chairman of the National Convention Convening Work Committee [NCCWC], U Tha Tun, NCCWC vice chairman and NCCWC member; Brig. Gen. Tin Aye, chairman of the National Convention Convening Management Committee [NCCMC] and NCCMC member; national convention delegates, and local and foreign journalists.

NCCWC member U Myo Thant acted as alternate chairman, and U Tun Yin Law, U James Bond, U Mya Sein, U Thein Lwin, U Tin U, U Ba Han, Colonel Thaik Tun, and U Wan Tin served as panel members. U Khin Maung Myint, director general in charge of meetings from the NCCWC office, acted as secretary of the meeting.

First, the secretary of the meeting announced the validity of the meeting, as 643 of the 698 National Convention delegates attended the plenary session.

Next, an overall appraisal on the proposal papers—which were presented and submitted by national convention delegate groups for the formulation of fundamental principles to be incorporated into the constitution to be written—was presented to the national convention plenary session by the panel of chairmen.

First, Alternate Chairman U Myo Thant explained the evaluation of fundamental principles on resources. Next, panel member U Wan Tin presented the assessment concerning basic principles on election. Then, panel member U Tun Yin Law reviewed the fundamental policies regarding political parties. Then, panel member U Mya Sein presented the evaluation of basic principles concerning matters relating to state of emergency. Later, panel member U Ba Han explained the fundamental principles covering the amendment of the state Constitution, the state flag, the state emblem, and national anthem. Finally, panel member U Thein Lwin presented the fundamental principles on foreign policy. The morning session of the charter meeting recessed for lunch at 1130.

The National Convention Plenary Session afternoon session is in progress.

Brunei, Malaysia & Singapore

Malaysia

Manufacturing Sales Increase in First Half

BK0609093593 Kuala Lumpur BERNAMA in English 0658 GMT 6 Sep 93

[Text] Kuala Lumpur, Sept 6 (OANA/BERNAMA)—The total value of sales of 58 industries in Malaysia in January-June, 1993 amounted to RM48.4 billion [Malaysian ringgit] (U.S$1=RM2.50), an increase of 17.2 percent when compared to sales of RM41.3 billion for the same period in 1992, the Statistics Department said.

Releasing its latest monthly manufacturing statistics today, the department said 20 industries reported total sales value of RM38.5 billion for the said period, up 20.1 percent or RM6.4 billion against RM32.0 billion in Jan-June 1992.

The contribution of these 20 industries was about 79.5 percent of the total sales reported by all the industries covered in the first six months of this year.

They included semiconductors and other electronic components and communication equipment and apparatus which recorded sales value of RM12.36 billion during the review period compared to RM9.89 billion previously.

This was followed by radio and television sets, sound reproducing and recording equipment (RM5.57 billion), petroleum refineries (RM2.62 billion) and manufacture of refrigerating, exhaust, ventilating and air-conditioning machinery (RM1.80 billion).

Some of the other manufactures were primary iron and steel industries, maufacture of industrial gases, plywood, hardboard and particle board mills, manufacture and assembly of motor vehicles, rubber remilling and rubber latex processing, cables and wires, plastic products and clothing factories.

The remaining manufactures comprise spinning, weaving and finishing of textiles, rubber products, printing, publishing and allied industries, hydraulic cement, computing and accounting machinery, iron and steel basic industries, dairy products and tobacco.

Specific products which showed a substantial increase in production between Jan-June 1992 and Jan-June 1993 were liquefied petroleum gas, plywood, telephone and telegraph cables, rubber gloves, television sets, iron and steel bars and rods and integrated circuits.

The department also said that a total of 2,166 establishments covered by the survey reported an employment of 630,725 for June, 1993 from 561,158 persons in the same month last year.

Economy Registers 'Strong Performance'

BK0409101293 Kuala Lumpur BERNAMA in English 0311 GMT 4 Sep 93

[Text] Kuala Lumpur, Sept 4 (OANA-BERNAMA)—Malaysia's economy registered a strong performance in the second quarter of 1993 with a gross domestic product growth of 10.4 percent.

Finance Minister Anwar Ibrahim, who announced this Friday [3 September], said the consumer price index (CPI) registered a moderate 3.5 percent increase compared with 4.4 percent for the same period last year.

He said the strong growth was spurred by the recovery of the agricultural sector with an 8.1 percent growth and the increase in production in the manufacturing sector by 17.4 percent.

At the same time, activities in the construction and services sectors continued to improve, he told reporters after calling on Britain's former prime minister, Lady Margaret Thatcher, at Carcosa Seri Negara, here.

He said the strong growth in the agricultural sector was due to the 23.3 percent increase in production of palm oil.

He said contributions to the manufacturing sector came from increase in production of export-oriented industries (21 percent) and domestic-oriented industries (13.8 percent).

Anwar said that up to July this year the CPI rose by 3.9 percent compared with 4.6 percent for the same period last year.

Based on a GDP growth of 10.4 percent in the second quarter, the country's economy is expected to continue to grow strongly for the whole of 1993, he said.

Asked whether the 10.4 percent growth would result in overheating, he said generally a rate of over 10 percent was a cause for concern but the figures showed that the country could still sustain prices at a reasonable level and in fact the prices had shown a downward trend.

If this is controlled, other problems can be addressed, he said.

He said several cabinet committees under the Prime Minister's Department, Treasury, International Trade and Industry Ministry, and Domestic Trade and Consumer Affairs Ministry were constantly monitoring the problem of overheating relating to prices and labour.

Anwar said the economic growth registered was far better than projected by the treasury and Bank Negara [Central Bank] last year and he hoped it could be sustained.

If we can keep the inflation rate at four percent, I believe our growth will be better than the eight percent projected last year, he said.

On his one-hour meeting with Thatcher, he said it was a normal meeting to exchange views on current and international issues.

Cambodia

Government on Thai 'Assistance' to Khmer Rouge

BK0909052993 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0430 GMT 9 Sep 93

[Text] Foreign Minister Prince Norodom Sirivut told newsmen on 7 September that the Provisional National Government of Cambodia [PNGC] was very sorry and frustrated that Thailand has continued to assist the Khmer Rouge and to regard the Phnom Penh government as just a party despite the fact that the elected cochairmen of the PNGC have just paid an official visit to Bangkok in mid-August.

Prince Sirivut said this in connection with a statement of the spokesman of the Thai Armed Forces Supreme Command carried in a Thai newspaper in which he said that any armed soldiers crossing over the border into Thai territory would be disarmed and taken into custody before being allowed to return to the area under each party's control when the situation calmed down.

Prince Sirivut said we are not a party. We are a government. The prince added that the Thai Armed Forces have actually assisted the Khmer Rouge.

His Royal Highness Prince Norodom Sihanouk once said that Thailand's assistance to the Khmer Rouge was a bad and shameful act.

Prince Sirivut said that he agreed with this comment by Prince Sihanouk and that the PNGC is very disappointed. He added that it was not an ordinary matter for a neighboring country to continue an important role in Cambodia's internal affairs.

Prince Sirivut said he hoped that at the coming roundtable meeting with the Khmer Rouge to be held in Phnom Penh next month, Cambodia will be able to resolve her own problems without outside interference.

PDK Spokesman Rejects Troop Defection Claim

BK0609032593 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 5 Sep 93

["Party of Democratic Kampuchea spokesman's rejection of the deceitful propaganda of the Vietnamese puppets, the allies, and UNTAC on so-called Khmer Rouge surrendering to the government;" dated 4 September; read by announcer]

[Text] During the past few days, the Vietnamese puppets, the allies, and the UN Transitional Authority in Cambodia [UNTAC] launched deceitful propaganda claiming that many Khmer Rouge elements had defected to the government's side.

1. The spokesman of the party of Democratic Kampuchea [PDK] categorically rejects this deceitful propaganda, launched abjectly with dark political design against the Democratic Kampuchea and Cambodian people's forces who are fighting against the Vietnamese aggressors and their puppets so that Cambodia can enjoy peace, national unity, sovereignty, and territorial integrity.

2. What is this government that the Vietnamese puppets and allies claimed had received Khmer Rouge defectors? What is its true nature? Obviously, it is the puppet government dominated by the Vietnamese aggressors and their puppets. Its authorities—military, police, and civilian—installed by the Vietnamese aggressors since the beginning of 1979 still remain intact. Nothing has changed. Its policy and activities are against the nation—killing and plundering the people and allowing the Vietnamese to flow into Cambodia at will. At the same time, the allies have also interfered in this government, buying off its members and managing, commanding, and ordering it to carry out activities against the people's desire for national reconciliation and peace. Who wants to follow such a government, which is stinking so much like a dead corpse? Everyone wants only to bury it. Nobody wants to defect to it. This matter is very clear. The entire Cambodian nation and people have all seen and known very well about this.

3. The Cambodian nation and people and Democratic Kampuchea need and want peace, national reconciliation, sovereignty, and territorial integrity. The Cambodian nation and people and Democratic Kampuchea have fought arduously, braving through all kinds of obstacles for several years for the sake of these national causes. The Cambodian nation and people and Democratic Kampuchea continue joining hands and struggle on until achieving peace, independence, national unity, sovereignty, and territorial integrity as in the period before (?1970).

[Dated] 4 September 1993
[Signed] The PDK spokesman

Sihanouk Urges Limiting Role to 'Figurehead'

OW0609141693 Tokyo KYODO in English 1347 GMT 6 Sep 93

[Text] Phnom Penh, Sept. 6 KYODO—Prince Norodom Sihanouk has asked the committee drafting Cambodia's new constitution to limit his role to figurehead rather than monarch, a cabinet minister said Monday [6 September].

Justice Minister Chem Snguon, a former State Council member in the Vietnamese-backed Cambodian Government, told a news conference that Sihanouk made the request while meeting with Cambodian legislators last week in Pyongyang.

Sihanouk, Cambodia's king until 1955, is in Beijing following a visit to Pyongyang where he runs a palace he received from the North Korean Government. He is to return to Phnom Penh on September 15.

Snguon, who also serves as vice chairman of the committee for drafting a constitution, quoted Sihanouk as saying he wants a revision of the draft which would grant him sweeping powers as head of a constitutional monarchy.

He quoted Sihanouk as asking the legislators to maintain the co- premiership system under which Prince Norodom Ranariddh of FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] and Cambodian Prime Minister Hun Sen have led a transitional coalition government since the may general elections.

Sihanouk asked that the constitution define his role as a symbol of reconciliation of the Cambodian people, which had been engaged in a 13-year war until 1991, when the nation's four warring parties agreed to a cease-fire under a peace pact signed in Paris.

Sihanouk himself once led guerrillas fighting the Hanoi-supported government until the Paris accord brought united national peacekeepers to Cambodia to monitor compliance with a cease-fire and the May election.

Political observers here predicted that the legislators will overwhelmingly vote to approve the proposed constitutional monarchy system.

Sihanouk is "ready to accept the constitutional monarchy system under which he would reign but not govern," said an informed source noting that the prince made the choice out of consideration of the "opinions of the international community."

Snguon said the committee will release two drafts on Wednesday, one calling for introduction of a constitutional monarchy and the other empowering Parliament to elect the head of state.

Under the constitutional monarchy, a king would be elected by a Council of the Throne comprising elected legislators, government representatives, and leaders of Buddhist sects.

Representatives from various political parties are to choose one of the two drafts on Saturday for presentation to Parliament, which is scheduled to convene next week, Snguon said.

Regardless of which draft is adopted, the head of state is to be reduced to a figurehead who would not be allowed to veto Parliament resolutions or command the armed forces, political sources said.

Both drafts would empower the co-premiers to preside over Cabinet meetings, while appointments of co-premiers would require the consent of the chairman of the Cambodian Parliament, the sources said.

PDK Reports Khieu Samphan-Sihanouk Meeting

BK0809010393 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 7 Sep 93

["His Excellency Khieu Samphan, chairman of the Party of Democratic Kampuchea, met with Prince Sihanouk on 6 September to discuss political issues and national reconciliation. The prince head of state will convene the roundtable meeting in October at the royal palace in Phnom Penh"]

[Text] On 6 September, His Excellency [H.E.] Khieu Samphan, chairman of the Party of Democratic Kampuchea [PDK], and his delegation called on His Royal Highness [HRH] Prince Norodom Sihanouk, head of state, at his residence in Beijing.

H.E. Khieu Samphan conveyed sentiments of respect and affection from the combatants, cadres, and people in the Democratic Kampuchea zone to the prince head of state. H.E. Khieu Samphan said that the PDK, like the entire Cambodian nation and people inside and outside the country, supports the prince having a role and enough power as leader of the country and the nation. Cambodia and its nation want only one leader, namely, HRH Prince Norodom Sihanouk, who is recognized, respected, loved, and relied upon by all social strata. Only when the prince has the right and power to lead the entire nation can the prince implement his national reconciliation policy, which is the need and the most profound aspiration of the entire nation and people. Only when the entire nation and people are reconciled and when everyone genuinely takes part in solving the problems of the country and the nation in accordance with the prince's plan and a national reconciliation policy can the nation possess a force to end the war and have peace and strength to rebuild the country.

The prince head of state expresed his happiness at the meeting with H.E. Khieu Samphan and the Democratic Kampuchea delegation led by him and the consultations and discussions on national issues. The prince said that he will continue to make efforts to carry on his noble and patriotic mission and to brave all kinds of obstacles in order to implement a national reconciliation and national union policy.

The prince said that he will convene a roundtable meeting of Cambodian leaders next October at the royal palace in Phnom Penh. Participants at the roundtable meeting will be HRH Prince Norodom Sihanouk, H.E. Son Sann, H.E. Khieu Samphan, Prince Kromluong Norodom Ranariddh, and H.E. Hun Sen and Chea Sim. The prince stressed that he will strive to achieve national reconciliation while he lives.

The meeting proceeded in a family, cordial, and warm atmosphere. Public opinion in Phnom Penh and in rural areas greatly welcomes this event and wishes that the roundtable meeting for national reconciliation and national unity of the Prince Father will be successful over the opposition from Vietnam, Vietnam's puppets and its allies.

Minister: Khmer Rouge Seeks To Split Government

BK0809131893 Hong Kong AFP in English 1118 GMT 8 Sep 93

[Text] Phnom Penh, Sept 8 (AFP) - Cambodia's Minister of Information Khieu Kanharit warned Wednesday that the radical Khmer Rouge were seeking to drive a wedge between former warring factions that now make up the country's coalition government.

"We must remain united to prevent the Khmer Rouge from being the cause of conflict between our two parties which seems to be their strategy," the minister said, in apparent reference to his own Cambodian People's Party (CPP) and to the royalist FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party.

Writing in the Wednesday edition of the CAMBODIA DAILY, Khieu Kanharit admitted that before the May U.N.-organised polls which set the foundations for the coalition government the two parties were "bitter rivals."

But he added that they had now united their policies to achieve national reconciliation.

"We even maintain unity on an issue which otherwise might threaten to divide us—a policy towards the Khmer Rouge," he said.

FUNCINPEC was in alliance with the Khmer Rouge against the Phnom Penh regime throughout the Cambodian civil war which was brought to a formal end by the signing of the 1991 Paris peace accords.

Khmer Rouge radio has repeatedly broadcast criticisms of the government's system of having two co-premiers and has called for FUNCINPEC leader Prince Norodom Ranariddh to be the sole prime minister.

The guerrilla faction has also claimed the government was still under the control of leaders of the former Phnom Penh regime, whom they refer to as "Vietnamese puppets" installed by Hanoi after Vietnam invaded the country in 1979 to oust the Khmer Rouge from government.

The minister said both FUNCINPEC and CPP agreed to keep the doors open to the Khmer Rouge despite the radical faction's attempts to undermine the unity of the government.

The government was willing to let the radical faction have an advisory role without [words indistinct] provided it ceased all military activity and surrendered its zones to the government, he said.

Despite the open door, the Khmer Rouge was holding out and flexing its military muscle to try and ensure more favourable terms of negotiation, Khieu Kanharit said.

"They continue to try and use force as a bargaining strategy. They're trying to threaten us into concessions."

The faction was also giving a preview of what could be in store if they were left out of a future settlement.

Recent lethal attacks on trains and the destruction of bridges were the guerrillas way of saying, "Look we're here, we can cause a lot of trouble, we can scare tourists and investors from coming to Cambodia, don't ignore us," the minister said.

Khieu Kanharit said that the most "effective way to eradicate the Khmer Rouge" was not on the battlefield, but by implementing reforms to close the vast socioeconomic gaps between Cambodians living in the city and countryside.

"If we achieve that, many Khmer Rouge supporters will return to the mainstream. The hard core will go back [word indistinct] jungle, but won't be able to destabilize the country," he said.

Reports on DKAF, Military Activities, Clashes

Late Aug, Early Sep Action

BK0409023993 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1200 GMT 2 Sep 93

[Text] According to news sources in the 3d Bureau of the Cambodian National Armed Forces [CNAF], during the last week of August and the beginning of September, the Democratic Kampuchean Armed Forces [DKAF] carried out major military activities and schemes in four provinces, namely Preah Vihear, Kompong Thom, Siem Reap, and Banteay Meanchey, and minor activities in Battambang and Kompong Chhnang Provinces.

The sources stressed that in Preah Vihear Province, the DKAF mobilized forces in preparation to thwart the CNAF at An Seh. On 28 August, they fired 11 rounds of 85-mm shells into a CNAF position in the northwestern part of Choam Khsan District adjacent to the Cambodian-Thai border but caused no casualties.

In Siem Reap Province, the DKAF intensified their activities in Angkor Thom and Chikreng Districts. This includes two artillery shellings on 28 August—firing five DK-82 shells into a CNAF position 15 km northwest of Angkor Thom District and firing two H- 107 shells into Chikreng District. No casualties were caused by the two shellings.

The activities of the DKAF in Banteay Meanchey Province were marked by the transport and deployment of troops at Yeay Ap, Khla Ngoap, and Mak Hoeun in early September and the firing of artillery shells into various areas: five 85-mm shells into Dang Aranh on 29 August and two other shells into Poipet and four shells into Nimit on 31 August in which four innocent inhabitants were killed and 13 others were wounded. Also on 29 August, the DKAF mined a train moving from Battambang to Banteay Meanchey Province, destroying a coach. Reports on casualties were not available.

In Kompong Thom Province, the DKAF activities were: deployment of over 100 troops on one occasion in Stoung District, 30 troops from the 616th Division moved by boat to (Thmar Khsach) and (Chaot) along Tonle Sap Lake, and an unsuccessful assault on the positions of the 4th Division's 422d Battalion and 42d Regiment on 29 August which was thwarted by the CNAF.

The victories by the CNAF in the last week of August and the beginning of September were as follows:

In Preah Vihear Province, from 28 to 31 August, the 3d Battalion in Sangkum Thmei District in coordination with the CNAF 5th Division's 16th and 20th Regiments launched self-defense operations in Rannase Commune of this district. As a result, they seized 320 assorted weapons, over 6 metric tons of assorted ammunition, killed one DKAF soldier, and forced 16 others, including two battalion commanders and three company commanders, to surrender. In Choam Khsan District of this province, the CNAF seized control of various important points in the northern part of the district and killed three DKAF soldiers. On 29 August, the CNAF seized full control of five hills in the northern part of Choam Khsan District.

In Banteay Meanchey Province, on 28 August, the CNAF from the 22d Division in Preah Net Preah District welcomed 30 DKAF repenters who brought along 30 weapons.

On 25 August in Battambang Province, the CNAF in Moung District welcomed eight DKAF repenters from the 36th Division who brought along eight weapons.

On 25 August in Siem Reap province, the CNAF's 3d Division in Samraong District welcomed 50 DKAF repenters who brought along 50 assorted weapons. On the same day, three other DKAF soldiers from the 912th Division returned to the fold, bringing along three weapons.

In Angkor Thom District of Siem Reap Province, the CNAF's 286th and 5th Divisions conducted self-defense operations and took control of a number of areas, such as (Trav), Don Em, and Kouk Dong. They also forced 27 DKAF soldiers to surrender and seized 14 weapons. On 28 august, the CNAF's 86th Battalion thwarted the DKAF's attack, killing three enemy soldiers and seizing three weapons and a quantity of materiel.

In Kompong Cham Province, on 30 August, our troops from the CNAF's 73d Regiment launched a self-defense operation in the northeastern part of Dambe District. They captured 20 DKAF elements, including six soldiers from the 920th Division and 14 guerrillas, and seized 20 weapons.

On 26 August in Kompong Thom Province, the CNAF troops in Stoung District discovered two enemy depots where they seized 490 rounds of 82-mm mortar shells, 2,120 rounds of 12.7-mm heavy machine gun bullets, 202 rounds of 120-mm mortar shells, and 393 land mines. On 29 August, the CNAF troops in Stoung District welcomed six DKAF repenters, including a battalion commander and five soldiers.

DKAF Kills 7 Civilians

BK0209130393 Phnom Penh AKP in English 1000 GMT 2 Sep 93

[Text] Phnom Penh AFP September 2—Seven civilians were killed and nine others wounded in a Khmer Rouge attack on Tuesday on border town of Poipet, southwest of Banteay Meanchey Province.

According to informed sources from Banteay Meanchey Province, the Khmer Rouge of Division 450 had fired two shells of DK-85 on the trading town of Poipet on August 31 from the unknown areas, killing at least five civilians and wounding six others.

The source said one shell landed on Poipet market and the other flew into Thai territory. Poipet which is run by the government had been subjected to Khmer Rouge attacks.

Of the death, three were women and two others were boys. The wounded civilians were sent to the nearby U.N. Dutch hospital, according to the source.

In the afternoon of the same day, the Khmer Rouge of the above- said division, fired three more shells landing nearby the border police post. However, no casualties had been reported, according to the police source.

In renewed shelling by [words indistinct] border market Wednesday, two more civilians were killed and three others injured.

Many traders at this usually bustling border have already fled to the safety of the provincial capital of Sisophon, some 48 kilometers to the east.

Situation in 1st Week of Sep

BK0709102793 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1200 GMT 6 Sep 93

[Text] During the first week of September the military situation in Cambodia continued to be destabilized by heavy Khmer Rouge military activities, according to the Operations Department of the Cambodian National Armed Forces [CNAF].

This week's situation was serious especially in Preah Vihear, Siem Reap, Banteay Meanchey, Kompong Thom, Kompong Cham, and Battambang Provinces. Artillery attacks were reported against CNAF positions at Poipet, Nimit, and Dong Aranh of Banteay Meanchey Province; Angkor Thom and Chikreng Districts of Siem Reap Province; and Hills 428 and 315 adjoining the Cambodian-Thai border in the north of Choam Khsan District, Preah Vihear Province. At the same time, the ground troops of the Democratic Kampuchea Army [DKA] also launched repeated attacks against the CNAF in Choam Khsan and Sangkum Thmei Districts of Preah Vihear Province; in the Khvav area of Chikreng District, Siem Reap Province; and in Stoung District of Kompong Thom Province.

Meanwhile the DKA kept sending in arms and ammunition and infiltrating troops near CNAF positions in the Phnum Chhat area, at Khla Ngoab camp and Mak Heun camp, in the area south of Poipet in Banteay Meanchey Province, along Route 58, in the area south of National Route 10 in Battambang Province, and in the Khvav area of Siem Reap Province. Moreover, they split into small groups in order to mine public thoroughfares and raid villages, robbing and killing innocent people. These activities were reported in Siem Reap, Battambang, and Kompong Cham Provinces.

Along with the attacks launched as part of the perfidious activities and maneuvers of the DKA in the abovementioned provinces, the CNAF conducted activities of their own to defend themselves and protect the nation and people with very brilliant successes during the same week. Most salient of the successes won by the CNAF this week were the ones in Preah Vihear, Siem Reap, Banteay Meanchey, Battambang, and Kompong Cham Provinces.

In Preah Vihear Province, the CNAF conducted self-defense operations in Choam Khsan and Sangkum Thmei Districts, killing four DK soldiers, forcing 26 others to surrender, and seizing 219 assorted weapons.

In Siem Reap Province, the CNAF conducted self-defense operations in the Khvav area, Chikreng District, and in Svay Leu and Sot Nikum Districts, killing 14 DKA soldiers, capturing three others, and welcoming 273 awakened DKA officers and men to the national fold. These included soldiers from the DKA Divisions 519 and 912. We also seized 119 assorted weapons.

In Banteay Meanchey Province, the 179th Division of the CNAF seized 58 weapons from the illegal arms users and armed farmers of the DKA in Phnum Srok and Preah Net Preah Districts.

In Battambang Province, also this week the CNAF seized 83 weapons from the illegal arms users in Sangke and Moung Russei Districts. Three soldiers from the DKA Divisions 998 and 36 also surrendered to the authorities.

In Kompong Cham Province, the CNAF launched self-defense operations in Dambe District, killing seven DKA soldiers, capturing 10, forcing 45 others to surrender, and seizing 79 assorted weapons.

The source added that among the CNAF units winning the above brilliant successes in Sangkum Thmei and Choam Khsan Districts of Preah Vihear Province were the 3d Battalion, 16th and 20th Regiments of the 5th Division, and a number of commando forces of the CNAF. These units were outstanding in persuading DKA soldiers to join the national community.

In Dambe District, Kompong Cham Province, units of the 73d Regiment, units from the 2d Military Region, and CNAF units attached to Kratie and Kompong Cham Provinces were outstanding in self- defense operations that have dealt crippling blows to the DKA.

In Siem Reap Province, the 86th Battalion and the 101st Regiment of the CNAF attached to Siem Reap Province, the forces of the 3d Division in Samraopng District, and the 286th Division in Angkor Chum District were outstanding in winning over officers and men of the DKA.

In Kompong Thom Province, units of the CNAF, especially the 4th Division, were outstanding in defending their positions in Stoung District.

In Banteay Meanchey Province, the 22d Division of the CNAF positioned in Preah Net Preah was outstanding in persuading DKA officers and men to return to the national fold and in disarming DKA active guerrillas.

Indonesia

Editorial on Mar'ie Views on Money Management

BK0309112393 Jakarta THE JAKARTA POST in English 27 Aug 93 p 4

[Editorial: "Mar'ie Doesn't Mince Words"]

[Text] Minister of Finance Mar'ie Mohamed is well known as a high level official who does not like to mince words. He prefers getting down to the nuts and bolts of an issue as quickly as possible. But as the finance minister and the chairman of the Monetary Council, Mar'ie, as the former director general of tax, is also very careful that his statements do not mislead or unintentionally send off the wrong signals. For that reason he has a low tolerance level for questions from reporters who persistently try to provoke controversial remarks to produce half-baked headline stories on heated issues.

For example, at business luncheon held by the EXECUTIVE business magazine on Wednesday, when Mar'ie was faced with a number of questions from businessmen, he outrightly rejected as illogical and counter-productive the possibility of reimposing foreign exchange control to curb capital flight. The most effective way of checking capital flight, in his opinion is to further improve the efficiency of the economy and to create the most attractive climate possible for private investments.

He said he considered the recent mass media stories about a US$10 billion investment plan by an Indonesian company in infrastructure development in China as outrageous nonsense. He countered the remarks with the query as to who in the country could possibly hope to put together the $10 billion in cash for equity capital in such a huge project. He doubted that any of the commercial banks would be willing to lend to such a venture with so long a gestation (pay- back) period.

Snapping at a questioner who seemed worried about the fate of the Rp [Rupiah] 3.5 trillion ($1.6 billion) in government savings, which has been accumulated over the last three years, Mar'ie clearly stated that those funds remain intact at Bank Indonesia, the central bank. The questioner feared that the great pressures exerted from some quarters within the government itself for spending the funds on big projects.

Apparently in order to reassure the public that the government firmly holds to the balanced-budget principle and prudent fiscal and monetary management, Mar'ie announced that the State Audit Agency had verified the content of the savings account at the central bank.

He highly pointed out the urgent need for building up an adequate number of solid medium and small-scale enterprises to supplement the rapidly expanding big business groups. But he boldly warned against what he termed as "forced promotion" of medium-scale businessmen. He would not elaborate, but his listeners fully understand that he was referring implicitly to businessmen who could not expand their enterprises without the privilege of preferential treatment or special favors from the government.

He admitted with sincerity that the problem of bad loans at major banks, including state-owned banks, is serious indeed. Again he bluntly acknowledged that he did not harbor any misconception that the problem could be solved within five years. He apparently does not want to dish out a cosmetic assurance, nor does he seem to want to cause inordinate worries because, as he added later, various concerted efforts were being made to recover those loans. He also promised that any written off credits would clearly be accounted for in the balance sheets of the banks suffering from bad loans.

We fully understand that as the finance minister, Mar'ie cannot answer all questions about issues of great concern to the public. There are many sensitive things or issues that cannot be divulged to the public without causing havoc or upheaval. Transparency, he said, does not mean that "you should stand up fully naked in public."

Nevertheless, we hope that Mar'ie will always nurture the strong moral courage to resist pressure either from within the government itself or from business groups with powerful political connections, to resort to departures from clearly-set policy guidelines, however legitimate such measures may appear.

Editorial Views Yen Appreciation, Foreign Debt

BK0509082193 Jakarta MERDEKA in Indonesian 21 Aug 93 p 4

[Editorial: "Foreign Debts Are Becoming More Burdensome"]

[Text] The strengthening of the Japanese yen against the U.S. dollar over the last weekend has truly shaken the global economy. The incident not only adversely affected the economic position of developed nations that use the U.S. currency in most of their monetary transactions, but simultaneously reverberated and caused chaos in the developing nations that have been receiving continuous credit obligations from Japan.

In recent years, Japan has been able to make continuous contributions toward funding domestic and foreign investment activities. The latest figures for such investment activities are reported to have superseded the necessity for such activities, so that they have reached the level where Japan's own reserves have become superfluous. With a much more strengthened reserve, Japan will definitely become active in extending tempting offers for credit facilities to developing nations, which generally "delight" in seeking loans. These offers are becoming more attractive every day, leaving every developing nation drooling for such attractive loans.

But the loans, in whatever form they may be offered, must be honored at all costs. Looking at several experiences, several developing nations ended up "bankrupt" because of such relatively low-interest loans. For instance, the economic situation in several Latin American nations became frenetic because of their involvement with such loan offers. Now those countries are not even in a position to repay the interest on the loans, much less the capital.

Analyzing the bitter experiences the Latin American nations went through after taking such loans, it looks as if such undesirable experiences could happen again. Needless to say, the time has come for Indonesia to realize the pressing need to curb its foreign loans.

In trying to carry out several development programs, Indonesia has no choice but to seek foreign assistance. But in seeking such assistance, the country should give due and careful consideration to tempting offers from developed nations for credit facilities. With the strengthening of the Japanese yen against the U.S. currency, Indonesia's foreign debt repayment burden will absolutely be heavier, because the loans the country has been receiving are in yen—from Japan, no less.

Whether we like it or not, we should spare no effort to try to rid ourselves of the increasing debt burden and prevent our nation from becoming embroiled in an economic turmoil. The government has previously affirmed that even with the appreciation of the yen, the balance of payments will not be rescheduled.

As of March 1993, our nation's total foreign debt amounted to $50.8 billion. As for the private sector, the amount of foreign debt accrued up to the end of December 1992 amounted to about $24 billion. The enormous amount of foreign debt, added to the new $5.1 billion loan extended by the CGI (Consultative Group for Indonesia) [preceding four words in English] for the 1993-94 fiscal year, will definitely result in a much higher amount.

Under such conditions, can our country's economic planners possibly ease the debt service ratio [preceding three words in English] (DSR), which currently stands at 32 percent? The appreciation of the yen against the U.S. currency will present a bigger problem to the effort to ease the DSR.

While we are making loud statements about being self-reliant, it is simultaneously evident that our foreign debt is spiralling and becoming an issue of great concern. People will easily realize that the government appears to have become indecisive, with the foreign debt increasing constantly amid our struggle to become self-reliant.

Thus, we must understand that self-reliance is only possible if we become less dependent on foreign sources, which includes development in the economic sectors. Therefore, we have no alternative but to acquire foreign loans in a more prudent manner.

Our economic planners should undertake to service the balance of payments in a more effective and efficient manner. The reason for this is that, while savoring the benefit of such loans, malpractice and other repercussions could occur and create a heavier burden for our country. If this were to happen, the people would absolutely and unquestionably have to shoulder that heavy burden jointly.

Electric Company Issues Bonds Worth $300 Million

BK0209105193 Jakarta ANTARA in English 1007 GMT 2 Sep 93

[Text] Jakarta, Sep 02 (OANA-ANTARA)—The state-owned electric company, PLN, has issued second-stage bonds worth rp [rupiah] 600 billion (about US$300 million) to finance its Java- Bali interconnecting power system projects.

PT [Comapy Limited] Danareksa Sekuritas will act as guarantor of the bonds which were offered here wednesday by PLN's president director Zuhal.

"About 90 percent of the total proceeds from the bond issues will be earmarked for the projects' transmission and distribution networks stretching 10,000 km in Java and 300,000 km in Bali and will be developed in the next five-year development plan (1994- 1999)," said Zuhal.

The remaining 10 percent, he added, will be allocated to Muara Karang gas power plant and Jakarta's Tanjung Priok gas and steam power plant to finance PLN's plans to boost the usage of gas in its plants and gradually phase out the use of fuel oil.

Zuhal said the company would need some rp 40 trillion (about US$20 billion) to expand its infrastructure for the coming development period and about rp 5.0 trillion will come from external commercial loans and the sale of bonds.

Meanwhile, president director of PT Danareksa Sekuritas, Susilo Raharjo, said that the bonds on offer will mature in seven years with an annual interest rate of 15.5 percent for the first two years and payable quarterly, while the interest for the remaining five years will be 1.0 percent higher than the prime rate offered by the seven state-owned banks.

PLN has issued a total of 15,335 bond certificates of the following nominal values: rp 100,000 (3,000 certificates), rp 1.0 million (2,000), rp 10 million (6,000), rp 50 million (2,400), rp 100 million (1,800) and rp 1.0 billion (135).

Laos

Assembly Chairman Receives Japanese Diet Group

BK0909071293 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 9 Sep 93

[Text] Yesterday at the National Assembly Hall, Saman Vi- gnaket, chairman of the National Assembly, received a courtesy call from a delegation of the Japanese House of Representatives led by Mr. (Naoto), chairman of the Foreign Relations Commission of the said House.

The National Assembly chairman of the Lao People's Democratic Republic expressed thanks to the delegation for paying a visit to Laos, thus contributing to the gradual improvement of relations and cooperation between the two countries, particularly between Laos' National Assembly and Japan's parliament.

The Japanese parliamentary delegation paid a visit to Laos from 7 to 9 September.

Organizations Pay Respects to Somlat Chanthamat

BK0609143593 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 6 Sep 93

[Text] The laying of wreaths to mourn the death of Comrade Somlat Chanthamat, Political Bureau member of the Lao People's Revolutionary Party [LPRP] and head of the Propaganda and Training Board of the Party Central Committee, who passed away on 2 September, continued for the third day on 6 September.

Local and foreign organizations and agencies continued to lay wreaths to express utmost grief and pay their respects to the remains of Comrade Somlat Chanthamat today. This morning, the delegation of the Communist Party of Vietnam [CPV] to attend the funeral of Comrade Chanthamat, which was led by Comrade Nguyen Duc Binh, Political Bureau member of the CPV Central Committee, laid a wreath to pay homage to the remains of Comrade Somlat Chanthamat with grief and sorrow over the demise of the comrade, who is gone forever.

From then on until 1700 of the same day, representatives of local administrations from various provinces, diplomatic corps, international organizations, companies from both public and private sectors, laid wreaths in sequence to pay their respects to the late Comrade Somlat Chanthamat.

Apart from local organizations, the wreath-laying ceremony over the past two days was also participated in by embassies and representation offices of international organizations in Laos. They included the embassies of the Socialist Republic of Vietnam, the People's Republic of China, the Kingdom of Thailand, the Democratic People's Republic of Korea, the Republic of Indonesia, the Republic of India, and the Russian Federation; the representation offices of the Food and Agriculture Organization and other international organizations; along with foreign associations in Vientiane and other organizations.

Nouhak Phoumsavan Receives SRV Delegates

BK0709151993 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 7 Sep 93

[Text] While in Laos to attend the funeral of Comrade Somlat Chanthamat, Political Bureau member of the Lao People's Revolutionary Party Central Committee [LPRP CC] and chief of the LPRP CC Propaganda and Training Board, which was held in the capital of Vientiane this afternoon, Comrade Nguyen Duc Binh, head of a delegation from the Communist Party of Vietnam

[CPV], member of the CPV Central Committee [CC] Political Bureau, and chief of the CPV CC Cultural and Ideological Board, and his entourage paid a courtesy call this morning on Comrade Nouhak Phoumsavan, Political Bureau member of the LPRP CC and president of the Lao People's Democratic Republic.

During the visit, Comrade Nouhak Phoumsavan and Comrade Nguyen Duc Binh held a conversation in an atmosphere of deep sorrow at the demise of Comrade Somlat Chanthamat, which is a great loss to the Lao party, state, and people. Comrade Nguyen Duc Binh also took the opportunity during the visit to convey the condolences and sympathy of Comrade Secretary General Do Muoi, SRV President Duc Anh, comrade members of the CPV CC Political Bureau, secretaries of the CPV CC, party members, and the Vietnamese Government and people to the fraternal Lao party, government, and people at this great loss.

For his part, Comrade Nouhak Phoumsavan expressed his deep thanks to the fraternal Vietnamese party, government, and people for expressing such sympathy and sharing the grief of the Lao party, state, and people by sending a high-level delegation headed by Comrade Nguyen Duc Binh to attend the funeral ceremony. This shows and further strengthens the spirit of special solidarity and mutual cooperation and assistance between the Lao and Vietnamese peoples.

Philippines

Marcos' Son Flies to Hawaii for Father's Remains

HK0509054093 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 3 Sep 93

[Text] Ilocos Norte Congressman Ferdinand Bongbong Marcos Jr. left this morning for Honolulu, Hawaii, to fetch the remains of his father, former President Ferdinand E. Marcos. Bongbong left at 10:30 AM aboard a Continental Air Micronesia aircraft. Among those who have gone with Congressman Marcos are former Lanao del Norte Governor Ali Dimaporo, Makati Councillor Bong Daza, as well as several media personnel. Prior to this, Bongbong yesterday canceled his flight due to some important matters related to preparations for the return of the Marcos remains. Bongbong's group will make a stopover in Guam where he is awaited by 18 congressmen belonging to the Northern Luzon Alliance. The legislators, led by Congressman Roque Ablan, went ahead with yesterday's delegation. Here is part of Congressman Bongbong Marcos' statement in an interview with Loy Caliwan, DZRH Unit Number 10:

[Begin Marcos recording in English] We are taking all possible precautions. Now, the only thing to do is go and do what I have to do. So, I'll see you all in Laoag. I wish that all of you who have remained with us and have been with us and have supported us over the years can come and join us in paying our last respects to our fallen leader. I hope we will see you in Laoag. We look forward to welcoming you there. [end recording]

Police Chief Plans for Return of Marcos Remains

HK0509053093 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 3 Sep 93

[Text] Director-General Humberto Rodriguez, Philippine National Police [PNP] chief, has assured that there would be no need to send additional PNP elements to Ilocos Norte for the scheduled arrival into the country of the remains of former President Ferdinand E. Marcos. General Rodriguez has said that the number of Ilocos Norte PNP Command members is enough to ensure order in the region. Rodriguez has also belittled reports that there will be unrest in Ilocos Norte when the former president's remains arrive.

MNLF on Plan To Halt Basilan Counterinsurgency

HK0509054993 Quezon City ABC-DWET Television in English 1300 GMT 3 Sep 93

[From the "ABC-DWET News Program"]

[Text] The Moro National Liberation Front [MNLF] welcomes President Fidel V. Ramos' decision suspending all military operations in Basilan Province. Government peace negotiator Congressman Eduardo Ermita told Malacanang reporters that positive reactions to the president's move were relayed by MNLF contacts in Saudi Arabia and Libya. Ermita said this message was relayed through Sulu Congressman Bensaudi Tulawie. Tulawie just returned from Jeddah on a Congressional mission.

In Malacanang, House Speaker Jose de Venecia met with the peace panel today. Following their meeting, De Venecia said the MNLF now expects renewed goodwill in Mindanao. The speaker also said the formal peace talks may take place within the next few weeks. The government and the MNLF have agreed to host extensive talks in Jakarta, Indonesia, but the actual timetable for such talks has not been agreed on.

Army To Increase Counterinsurgency Operations

HK0509060993 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 4 Sep 93

[Text] General Lisandro Abadia, chief of staff of the Armed Forces of the Philippines, today said that as part of the peace process, the military will step up its operations against rebels until Malacanang [presidential palace] puts a total stop to all military operations in the country.

Abadia said military operations should be stepped up, particularly in Agusan del Sur and Surigao del Sur, where the New People's Army has become more active.

He said the president is expected to announce the suspension of all military operations in the near future as part of the peace process. Abadia said that before this occurs, there is a need to make sure that the rebel movement is weakened in the rural areas.

Senate Ratifies Assistance Treaty With Australia

HK0309031093 Manila MANILA BULLETIN in English 3 Sep 93 p 1

[Text] The Senate expressed confidence yesterday that the Philippine Government would be able to recover a substantial portion of the country's wealth plundered during the Marcos administration, after it unanimously ratified the Philippine-Australian Treaty on Mutual Assistance in Criminal Matters.

All 17 senators present in yesterday morning's plenary session voted for the ratification of the treaty.

Senate President Edgardo J. Angara and Majority Leader Alberto G. Romulo shepherded most of the 23-member Senate to compose a "supermajority" to vote on the treaty.

The presence of the 17 avoided a constitutional question on how many of the 24 elected or 23 remaining senators would constitute a two-thirds majority to ratify a treaty as required by the constitution.

Ratification of the treaty that had gathered dust in the past Senate was announced by Sen. Orlando Mercado, then the presiding officer, when he said 17 voted "yes."

Sen. Blas F. Ople introduced the treaty for voting on third and final reading as chairman of the Senate foreign relations committee.

Sen. Heherson T. Alvarez said the Senate's concurrence of the treaty "puts teeth in our laws, in a nation plundered of its wealth with saboteurs yet to be identified and the loot to be located."

Alvarez said the country's plundered wealth during the Marocs regime had found their way to Switzerland, the U.S., and Australia under fictitious names or dummies.

These "plunderers" took refuge in these ocuntries, out of reach from the short arm of Philippine domestic laws and "beyond the territorial jurisdiction of the State," Alvarez said in explaining his vote.

Alvarez said the Philippines now has the advantage of gathering evidence against the plunderers through this bilateral arrangement with Australia.

The Treaty on Mutual Assistance in Criminal Matters is the first of its kind that the Philippines has entered into with a foreign country.

Ople said the Senate's concurrence of the treaty "put on notice the whole international community to the will of the Philippines to take this current campaign against criminality, some of which are foreign-inspired and induced, to the international frontier.

Economic Summit Rejects Devaluation Proposal

HK0909053793 Quezon City MALAYA in English 9 Sep 93 pp 1, 2

[Report by Minnie Cadelina and Ellen Tordesillas]

[Text] The multisectoral economic summit yesterday rejected a proposal to devalue the peso to P35 [Philippine pesos] to $1, saying market forces determine the value of the peso in relation to foreign currencies.

Two workshop groups which tackled the proposal of the Senate Policy Studies Group (SPSG) said that devaluing the peso is too risky and will create more harm than good.

The country's leaders and representatives of non-government organizations also signed a "Social Compact for Empowered Economic Development" which they hope would propel the country to a competitive level with other countries in Southeast Asia.

"This document institutionalizes Filipino civic consciousness and imparts a new social and moral dimension to the quality of our citizenship," President Ramos said.

On the peso devaluation, the group on Closing the Fiscal Gap, chaired by Rep. Exequiel Javier (Lakas-NUCD [Strength-National Union of Christian Democrats], Antique), agreed that sharply bringing down the rate from the current P35 to $1 [as published] would only further widen the public sector deficit.

"The determination of the appropriate exchange rate is not a matter for legislative or executive action. The group endorses the policy that the rate has to be determined by the market to reflect true competitiveness," the group said.

The group on Mobilizing Investments and Levelling the Playing Field, chaired by Sen. Gloria Macapagal-Arroyo (Laban) [nation's strength] said the safety nets proposed by the SPSG for sectors that would be adversely affected by the devaluation "were not specific."

Sen. Ernesto Herrera (Laban), vice chairman of the group on Closing the Fiscal Gap, said the proposal of the SPSG was a "reckless and unimaginative" recommendation. He said it has already affected the exchange rates at the black market.

Even Bangko Sentral [Central Bank of the Philippines] Gov. Gabriel Singson was lukewarm to the devaluation. He cited a circular stating that the exchange rate "shall not be administratively fixed but should be left to market forces on a day- to-day basis and that authorities should not intervene except to compensate for excessive fluctuations."

Senate President Edgardo Angara defended the SPSG's recommendation, saying that adopting a drastic policy on foreign exchange is a necessary ingredient in an export-led economy.

"I tell you it would be an illusion to promote exports without considering the foreign exchange rate. There's no choice but to confront the issue. Our proposal is P35:$1, if it's just small, inflation would overtake it and the gains of devaluation would be wiped out," Angara said.

He said that allowing the market forces to determine the exchange rate is just an "illusion."

"Even the exchange rate right now is being influenced by CB intervention," he added.

The SPSG devaluation proposal establishes a Posterity Fund (PF) which will be used to fund the safety nets for the affected sectors. The fund will come from the windfalls that will be realized by exporters, foreign currency deposit units [FCDU] and overseas contract workers.

SPSG estimates that P14 billion could come from exporters, P7 billion from FCDU holders and about P3.5 billion from overseas workers.

Safety nets include a P2 billion subsidy for coarse rice program for the poorest households, P2 billion for organized labor's own safety net program, P1.3 billion subsidy for fertilizer and urea prices, a stop to import liberalization for the agricultural sector, and a 12.5 percent rise in the legislated minimum wage.

The program also calls for the government to keep inflation rate at a level of five percent or lower at the end of 1996.

House Minority Floor-leader Hernando Perez (Laban, Batangas) warned the government against sending out signals on foreign exchange policies under consideration, saying this could trigger speculations that could drive the value of the peso to as low as P35 to $1.

In an interview with DZRH radio station, Perez also said a devaluation could lead to a 20 percent increase in prices of petroleum products, especially if the Oil Price Stabilization Fund is wiped out by the recent levy.

He said economic dislocation would follow.

On the social compact, national leaders agreed to translate the following principles into measures and actions within 12 months:

—Political stability, peace and order, industrial harmony, and an effective legal and judicial system are preconditions to sustained economic growth.

—The government shall rely on the ability of markets to allocate resources efficiently. Government intervention, whenever warranted, shall be designed to overcome the inadequacies of the market.

—The economy shall be made competitive, flexible, and adaptable to domestic and international changes. Free entry and exit of firms shall be encouraged and measures to improve labor and capital shall be adopted.

—Existing policy and institutional biases against rural agriculture shall be dismantled.

—Government shall strongly encourage full development and use of labor and the country's abundant resource.

—Government shall exercise fiscal discipline without sacrificing essential infrastructure and investment in human capital.

—Local government shall harmonize their tax and spending programs with national development goals.

—The government shall improve the delivery of public services.

—The government shall provide an environment where Philippine exports are able to compete in the global marketplace by adopting a competitive exchange rate policy and accelerating trade and industrial policy reforms.

—Monetary policy shall support price stability, export competitiveness, mobilization of domestic savings, and capital accumulation.

The signatories agreed that an oversight committee be created to settle all inconsistencies and disputes.

They also agreed to review the agreement in January 1994.

Earlier, the President signed Administrative Order 79 creating a multisectoral task force that will ensure the regular conduct of consultative exchanges on matters discussed and agreed upon in the summit.

Police Seize Syndicate Counterfeiting Dollars

HK0309144593 Hong Kong AFP in English 1253 GMT 3 Sep 93

[Text] Manila, Sept 3 (AFP)—Crack policemen busted an alleged major syndicate printing counterfeit dollars in separate raids here Friday and seized 20 million dollars in fake U.S. currency, police and radio reports said. Police intelligence and operations group chief Colonel Ruffo Pulido said four persons were arrested in the raids on two safehouses, including the son of a former cabinet secretary under Ferdinand Marcos and three former soldiers from the late dictator's defunct presidential guard.

A radio report said heavily armed police agents had also sought to enter a third house suspected of containing more fake money as of late Friday but a judge refused to sign the search warrant. Pulido told a television interview that authorities seized 20 million dollars in fake 20 dollar bills and several printing machines during the raids. The suspects allegedly tried to burn an unknown quantity of other bills.

He said the syndicate had been circulating the bogus bills in Southeast Asian countries and the United States since last year. A central bank official who examined the samples said the paper used to print the money was genuine. Pulido said the fake bills even impressed a representative from the U.S. embassy here. The syndicate members had planned to deposit the fake money in a local bank and later make withdrawals in the form of genuine bills in a foreign bank, Pulido added. "Definitely, we have busted the gang," Pulido said, adding that the raids were conducted after four months of surveillance.

Thailand

Spokesman Denies 'Collusion' With Khmer Rouge

BK0909112493 Bangkok Voice of Free Asia in Thai 1030 GMT 9 Sep 93

[Text] Army spokesman Colonel Phalangkun Klahan has clarified the Cambodian Foreign Ministry's allegation about Thailand's collusion with the Khmer Rouge in actions which constitute interference in Cambodian internal affairs. Phalangkun said the Thai Army adheres to the policy of Army Commander General Wimon Wongwanit and the Thai Government, which says that Thailand will continuously support any peaceful action which will result in durable peace. Therefore, there is no reason to support the Khmer Rouge. The reports which appeared are therefore inaccurate.

The spokesman said the Cambodian national armed forces' suppression of the Khmer Rouge in Preah Vihear, Battambang, and near Phnum Pra on 18 August resulted in 51 heavy shells landing in Thai territory and over 1,000 Cambodians fleeing to Thailand. At a meeting at the local level at Ta Phraya Pass with a Cambodian unit commander, the Burapha Force learned that violation of Thai territory during the Cambodian suppression campaign was the result of contradicting maps in use by Thai and Cambodian sides. The matter will be resolved at the national level later.

Commerce Official Reviews Film Talks in U.S.

BK0609024393 Bangkok THE NATION in English 6 Sep 93 p B1, B4

[Text] As Thailand and the United States have considerably narrowed their differences on the copyright and pipeline drug issues, the administrations of both sides have turned their attention to eliminating tariffs on exposed film imports.

Permanent Secretary to Commerce Phatchara said on his return from Washington DC that during last week's meeting the US Trade Representative stood firm and said that Bangkok should scrap the tariffs on cinematographic film imports—a move which it understood it had already agreed in separate negotiations with Uthai Pirnchaichon, the commerce minister.

The Thai Cabinet recently agreed to cut the tariff on exposed film from Bt [baht] 30 to Bt1O per metre, despite some opposition from the Finance Ministry. But the Cabinet left the door open for the tariff to possibly be cut to Bt5 per metre at a later date.

Bajr, a veteran trade negotiator spent three hours and 35 minutes talking with Robert Cassidy, deputy USTR, in Washington, DC on Wednesday [8 September] and Thursday.

He declined to describe the meeting as another round of trade talks but said: "I was there to clarify to Cassidy exactly what the Thai Cabinet had ruled on the intellectual property issues."

He said that the US trade officials still misunderstood the tariff elimination agreement on exposed film imports.

"Washington claimed the Thai government was planning to cut the tariffs on exposed film to zero, to which I responded that at the moment it was impossible for Thailand to comply with such a demand," Bajr said.

He added that during the meeting Cassidy tried to bargain with him, asking Thailand to axe tariffs on cinematographic imports: "The Bt1O per metre tariff was our maximum concession.

The Thai negotiators have asked US officials to further discuss how the two governments could exchange products subject to reciprocal tariff cuts under the ongoing Uruguay Round of General Agreement on Tariffs and Trade (GATT) talks.

However, he noted that the Thai authorities should reach an agreement on the exposed film tariff with the US administration as soon as possible: "If the USTR decides to continue listing Thailand on its PFC, the US trade watchdog might sooner or later use the tariff issue as a means to retaliate against Thailand at any time in the future," he cautioned.

Although Bajr was the last Thai official to talk with USTR officials before the PFC division deadline he declined to forecast the outcome: "It all depends on Mr Kantor," he said.

Government To Promote U.S. Trade, Investment

BK0909013993 Bangkok THE NATION in English 9 Sep 93 p B1, B3

[Text] Deputy Prime Minister Suphachai Phanitchaphak yesterday said the government plans to promote trade and investment between Thailand and the US in return for the removal of Thailand from the US Priority Foreign Country (PFC) list

The move is intended to bring to a close the long period of confrontation between Bangkok and Washington over bilateral trade issues, Suphachai said.

The move includes joint venture investments by companies from the two countries, especially in Indochina, and US investment to produce a car in Thailand, Suphachai said

The United States announced yesterday that Thailand will be removed from its PFC watch list, relieving Bangkok of the threat of imminent US trade sanctions.

In its statement, the US Trade Representative said Thailand was to be removed from the list, the most serious of the classifications under Section 301 ofthe US trade law, and placed on the less threatening Priority Watch List (PWL).

Thailand's status will be reviewed in early 1994 to determine whether the country should remain on the PWL list, USTR [US Trade Representative] Mickey Kantor said.

According to Suphachai, the government currently has four items on its immediate agenda to ensure that the country will be removed from the PWL.

First, he expects to push the draft copyright act, currently pending a parliamentary reading, as a priority when the House opens in October.

Second, the government needs to review whether derivative software, mostly foreign software converted for Thai use, are to be protected under the copyright law.

Under the current draft copyright act, derivative software is fully protected, prohibiting any unauthorized conversion for Thai use, a practice which academics complain will hamper Thai research and development in the local computer industry.

Third, when the Uruguay Round of world trade talks is completed, the government will consider whether the agreement calls for a further reduction of the import tariff on foreign films.

"By that time, we may also consider the liberalization of trade in services," Suphachai said.

According to Suphachai, the Thai government will emphasize the special chapter on computer software protection in the draft copyright law to meet the next deadline of January 1994.

"We also need rounds of discussion with the US because we lack experience in the computer software issue," Suphachai said.

Fourth, the Thai government plans to ask for renewal of its privileges under the Generalized System of Preferences (GSP) in December, when the USTR revises its annual GSP grant.

Some of the country's GSP privileges were taken away in 1988 during the Reagan Administration in retaliation for trade restrictions. Yet these days, Thailand is one of three largest beneficiaries of the GSP program, which covers US$1.8 billion worth of Thai exports to the US.

Suphachai welcomed the USTR's decision to remove Thailand from the PFC list.

Suphachai said the country's removal from the PFC list to the less serious PWL will greatly improve the trade relationship between Thailand and the US.

Police Confiscate Pirated Software, Manuals

BK0809070593 Bangkok BANGKOK POST (POST DATABASE SUPPLEMENT) in English 8 Sep 93 p 1

[Text] Three teams of the Economic and Financial Crime Suppression Police, led by a Business Software Alliance (BSA) lawyer and five officials from the Intellectual Property Department, raided seven shops suspected of selling illegal computer software and manuals late last month.

A total of 2,761 diskettes, 134 manuals and eight PCs were seized in this, the third such crackdown here.

As a result of the raids, encompassing eight premises, seven people were arrested and taken into custody for further questioning.

The police teams raided a total of four outlets at Panthip Plaza and two at Mah Boon Krong shopping centre and at a shop at Thaniya Plaza.

At Panthip Plaza Q-Soft Systems, Magicsoft, Uni-signal and Computer Guide were raided, while the Software Centre and Soft Shop at Mah Boon Krong were targeted on the grounds that they were suspected of selling pirated software and manuals. At Thaniya Plaza, the shop CCC was raided.

"These raids follow intensive investigations by the BSA in which retailers suspected of selling unauthorised software were warned on a number of occasions that they faced severe legal action if they did not stop," said Ron Eckstrom, Vice President for the BSA in Asia. "Unfortunately, these illegal traders chose to ignore our warnings.

"The losses to the software industry caused by these businesses have now reached epidemic proportions and the BSA will not rest until these illegal activities are eradicated.

"All business in Thailand should be aware that using, copying or selling illegal software is a serious crime. The BSA is determined to stamp out these software thieves and the raids, announced today are the first of many we are planning throughout Thailand," according to a press release received by Post Database from Communications Consulting International.

In April Crime Suppression Division police raided four shops and in July last year a similar team raided two shops for allegedly violating the copyright law.

For three of the seven shops raided—Q-Soft Systems, Magicsoft and Software Centre—this was the second time that they were the target of such a BSA-led crackdown, having had software and manuals the April raid.

Ruthorn Noppakul, a lawyer acting on behalf of the BSA, told Post Database that around 60 per cent of the manuals and software seized were copies of Microsoft products, while others were products of BSA-members WordPerfect, Lotus, Autodesk, Aldus and Novell.

He added that this was the first time that computer hardware with illegal software allegedly installed on hard disks were seized.

He continued that, in his opinion, the copyright infringement situation was now better than when the first and the second raids had been staged. Fewer illegal manuals were found, although many diskettes believed to be illegal copies were seized.

Ruthorn said that this showed that shop owners were beginning to be aware that they were violating the copyright law, adding that "we still found many illegal diskettes, perhaps because the process of infringing software copyright was easy."

However, Ruthorn said that from the BSA's viewpoint, the situation here was no better and this should lead to on-going actions.

Earlier this April, the Crime Suppression Police raided two outlets of ABC (Thailand), a shop and an inventory room of Q-Soft Computer, and Magicsoft at Panthip Plaza including the Software Centre at Mah Boon Krong. All cases are now with the police investigators, and there has been no compromise or "out of court" settlements as had been the case in the first raid last year.

Microsoft Thailand Country Manager Paul Sribhibahdh said that he saw the software piracy situation in Thailand as slowly becoming better. The number of shops selling original software had increased only a little, but it showed a good trend. "It's slowly getting better but still far from anybody's expectation@."

However, Microsoft's country manager added that he still saw large amounts of PC software illegally copied on to hard disks, both operating system and application software.

The raids, he said, would create an awareness among shop-owners and end-users as well.

Meanwhile, ThaiSoft General Manager Vira Intanate said that BSA's raids were stronger each time as more were shops being raided. However, such action created more awareness among users, especially to corporate users, he said, adding that, ThaiSoft had now finalised contracts with two banks and a large conglomerate to supply original software to them. These contracts were worth 8-9 million baht, he said.

Intellectual property rights practices in Thailand were closely examined in July by the United States Trade Representative under conditions imposed in the Special 301 Watch List drawn up by the US Government on 30 April, 1993. The Special 301 provision is a statutory mechanism authorising the US government to impose trade sanctions against countries which conduct unfair trade practices, including the insufficient protection of intellectual property.

According to recent BSA estimates, the level of software theft in Thailand is among the worst in the world recording a piracy rate of 99 per cent, equivalent to losses of US$181 million in 1992, according to the BSA press release.

Burmese Energy Minister Khin Maung Visits

BK0909020193 Bangkok BANGKOK POST in English 9 Sep 93 p 26

[Text] Burma has offered to sell fresh water to Thailand for power generation and vowed to accelerate discussions on the sale of natural gas from the Gulf of Martaban to the Kingdom.

These issues were discussed yesterday by visiting Energy Minister Khin Maung Thien and Industry Minister Sanan Khachonprasat.

The Burmese minister suggested that water could be channelled from various tributaries and dams in his country to hydro-electric dams in Thailand, now facing problems involving the low level of water reserves, via pipelines.

The Thai hydro-electric dams which could benefit from Burmese water, are those located not far from the Thai-Burmese border, namely the Sri Nakarin Dam in Kanchanaburi and Phumiphon Dam in Tak.

Maj Gen Sanan said further studies, especially on legal aspects, are needed if such action is to be taken.

On the question of security along the borders, the Burmese minister gave an assurance that the projects would not be affected by separatists, as the border area above Kanchanaburi is controlled by Rangoon forces.

Prime Minister's Office Minister Sawit Phothiwihok will coordinate further discussion on these projects.

The Industry Minister said the Petroleum Authority of Thailand (PTT) is negotiating to buy natural gas, which would be developed from the blocks in the Gulf of Martaban now being explored by the French oil firm Total and Texaco of the US.

Bangkok, Malaysia To Begin Joint Radio Project

BK0309061293 Bangkok Radio Thailand Network in English 0000 GMT 3 Sep 93

[Text] Thailand and Malaysia will jointly operate a radio broadcasting project named Twin Radio Broadcasting Service. The project will be jointly operated by Malaysia's radio station in Perlis State and Radio Thailand in the southern province of Satun. The project is aimed at forging close cooperation in radio broadcasting and news exchange. Joint programs will be developed to benefit local peoples of both countries. The radio station in the state of Perlis has been operating such twin services with Brunei Darussalam, the Philippines, and Indonesia. The broadcast is carried via satellite.

Paper on 'Encouraging Signs' in Military Changes

BK0709010393 Bangkok BANGKOK POST in English 7 Sep 93 p

[Editorial: "Encouraging signs in military reshuffle"]

[Text] The annual military reshuffle is regarded as an important annual event unique to this country. The event is normally closely watched, observed and analysed by the mass media, academics, politicians, military personnel and even the public. It has become customary for the Press to speculate on likely appointees to key positions, those who will be shunted aside from their influential positions and, above all, their class affiliation in the Chulachomklao Royal Military Academy or other academies of parallel prestige. The overwhelming press coverage may puzzle those unfamiliar with the complexities of Thai politics and the Thai military's role in politics.

It was therefore no surprise that the annual military shake-up this year was preceded by a lot of speculation, particularly about officers who are closely linked to the "old power clique" or the former members of the defunct National Peace-keeping Council. But when the list was finally announced on Sunday night, there were few surprises and the general reaction among politicians and democratic aspirants was one of relief.

The reshuffle saw several top officers who are closely linked or loyal to the "old power clique" shifted to less important positions which are not directly in command of combat troops. Deputy Air Force Commander-in-Chief [C-in-C] ACM [Air Chief Marshal] Suthep Theppharak, for instance, who was earlier being groomed to be the next Air Force supremo by ACM Kaset Rotchananin, one of the former NPKC members, has been moved upstairs to become an inspector-general of the Armed Forces. In the meantime at the top echelon, officers who hold high respect among their peers and subordinates as non- political and professional soldiers are assigned to key posts.

The "depoliticisation" of the military as evidenced by the putting of officers known for their high professionalism and non- political involvement in top positions such as the Naval C-in-C and Air Force C-in-C will be a relief to the Government and also allay any fears among democratic aspirants. Under the leadership of these career soldiers, the hardwon democratic process can proceed and will not be trampled upon in yet another coup d'etat.

The process of depoliticisation which began in the aftermath of the May uprising last year during the administration of former prime minister Anan Panyarachun has gone some way towards restoring the military's credibility. Continuation of the process as witnessed from this year's reshuffle should further improve the military image, especially that of the army which was, for a long time in the past, deeply politicised because of the political ambitions of a handful of generals.

But it needs a lot more than just a few changes at the top in the military echelon to convince military officers not to get involved in politics at all or not to think in the way they were once taught that they alone are the saviours of this country and also trained, since their cadet days, to become the future leaders of the country. It requires a radical rethink of the concept and mentality and, perhaps, a re-education in democracy that their main duty is to defend the country and the key institutions and also to protect democracy. To begin with, the military could do away with the class system which seems to be the source of class rivalry and conflicts that often lead to prejudice and unfairness in the annual reshuffle. Seniority, capability and resourcefulness should be the main criteria, instead of class affiliation, in determining future promotions or changes as has been practised in the other governmental agencies.

That the annual military reshuffle is unique and different from that of the other agencies clearly speaks for itself of the special role the military perceives it has towards the country and which, regrettably, often results in apprehension and suspicion among politicians and proponents of democracy. We look forward to the dawning of the day when a military reshuffle is just a routine event like changes in the civilian branches which have no bearing on the political future of the country. And that day will come when full professionalism is firmly in place in the military establishment so that no room is left for political adventurism.

Vietnam

Hanoi Radio Notes Foreign Policy Successes

BK0909013093 Hanoi Voice of Vietnam Network in Vietnamese 1400 GMT 7 Sep 93

["Topical Talk" with station editor Vu Dinh Vinh]

[Text] Dear comrades and friends, the renovation activated and implemented by the Communist Party of Vietnam [CPV] has scored remarkable achievements and has been warmly received by friendly countries around the world in the past few years.

While implementing the renovation, Vietnam has adopted an open-door policy to befriend all countries of the world and struggle for peace and social progress. Recently, experience has shown this new policy, set by the Seventh CPV Congress, is vital and correct and one that can promptly meet the requirements of the new situation.

In the two years following the Seventh CPV Congress, a new concept in Vietnam's foreign strategy has taken shape, resulting in the implementation of an independent, positive, and active foreign policy. All of Vietnam's foreign activities have been carried out on the basis of gradually ensuring national stability, firmly maintaining political security, protecting national sovereignty and integrity, and developing the national economy. This will create a firm prerequisite for extricating the country from poverty and backwardness and has enhanced our position and prestige internationally.

It is noteworthy that Vietnam has actively developed relations with nations in the region, especially neighboring countries. It can be said that diplomatic activities have been unprecedentedly lively in the region in the past. The official friendship visits of Vietnamese party and state leaders to the Republic of China and the official visit to Vietnam by Chinese Premier Li Peng and other Chinese leaders in late 1992 and early 1993 have improved bilateral ties remarkably. The public believes that the normalization of Sino-Vietnamese ties is an important factor contributing to ensuring peace and stability in the region. It also helps create favorable conditions for each country to effectively implement the renovation and carry out national construction.

In mid-August, SRV National Assembly Chairman Nong Duc Manh visited the Lao People's Democratic Republic to strengthen the special ties, to inform each other of the situation in their respective countries, to exchange views on measures to consolidate and develop comprehensive cooperation and friendship, and to discuss international and regional issues of mutual concern.

In late August, a Cambodian Interim National Government delegation led by Copremiers Norodom Ranariddh and Hun Sen paid an official visit to Vietnam. Vietnam and Cambodia are close neighbors whose peoples have enjoyed a long-standing friendship. Despite the ups and downs in the history of the two nations and different approaches in their national construction, the Vietnamese people have unswervingly treasured the ties of friendship and cooperation. We welcome the Cambodian Interim National Government's decision to continue carrying out the foreign policy set by Prince Norodom Sihanouk. It is an independent, neutral, and nonaligned policy to befriend all countries, including neighbors, and to resolve all conflicts through peaceful negotiations. In the new stage, both countries have asserted the significance of the friendship and cooperation, agreed to continue cooperating in various areas, and expressed the wish to strengthen the good neighborly relations and expand cooperation for mutual benefit of all countries in the region.

Also noteworthy are the recent official visits to India and Laos by CPV General Secretary Do Muoi; the official friendship visit by our prime minister to ASEAN, to northeast Asian and South Pacific countries such as Japan, the Republic of Korea, New Zealand, and Australia, as well as official visits to Vietnam by top leaders of the ASEAN nations. These significant events have opened a new era for the region by helping to promote friendship and to expand economic cooperation. This creates favorable conditions for national development in each country. Japan's resumption of Organization Development Agencies [ODA] aid to Vietnam is a significant start for Vietnam to be assimilated into the world economy.

In late July, Vietnam participated as an observer in the 26th ASEAN Foreign Ministerial Conference in Singapore. At this conference, ASEAN highly praised Vietnam's renovation and its broadened foreign policy aimed at strengthening relations with ASEAN. Vietnam has participated as an observer in a number of ASEAN cooperation projects in science and technology, the environment, public health, culture and information, education, and tourism. It is noteworthy that ASEAN has highly appraised Vietnam's role in the region. On this basis, the ASEAN foreign ministers hope Vietnam will become a member soon so that the organization will become a complete bloc comprising all 10 countries in Southeast Asia. This will contribute to accelerating economic cooperation and ensuring security in the region. It is necessary to say that economic ties between Vietnam and ASEAN have increased. Trade between Vietnam and ASEAN has increased remarkably. Compared to late 1990, ASEAN's investment in Vietnam has increased tenfold and now accounts for 10 percent of the foreign investment in Vietnam.

While striving to develop multifaceted relations with countries in the Southeast Asian region, Vietnam has also paid special attention to strengthening relationships with nations in other regions, especially the industrially developed nations.

The working visit by our government delegation led by Prime Minister Vo Van Kiet to four key European countries, namely the Republic of France, Germany, Great Britian, and Belgium and the European Community in late June and early July, has enabled Vietnam to further assimilate itself into the world community.

The official visit by French President Francois Mitterrand to Vietnam early this year and Prime Minister Vo Van Kiet's recent official friendship visit to France are the fine manifestations of both countries' strong determination to develop the existing friendship and expand comprehensive cooperation, especially in the political, economic, and cultural domains. At present, there are favorable conditions to develop this friendship to a new level.

Germany, a leading industrialized nation in Europe, which also ranks third in the world, considers Vietnam an important country in the region and has encouraged German corporations to do business with Vietnam. After the first official visit to Vietnam by the German foreign minister in April this year, the official friendship visit by Prime Minister Vo Van Kiet to Germany in June was yet another significant event in the ties of friendship and cooperation. These ties have developed satisfactorily, thereby meeting the aspiration and interest of the two peoples.

Through our government delegation's visit to four European countries, the governments and businessmen of these nations have hailed Vietnam's efforts to improve the investment atmosphere, acknowledge its great potential in various fields, and recognized its role in developing the Asia-Pacific region. They have also expressed the wish to promote relations and engage in business with Vietnam and their willingness to help train its cadres and specialists in management, banking, and finance.

Despite their current economic difficulties, these countries have striven to increase aid for Vietnam. The Republic of France has affirmed that it will provide Vietnam with a 360-million franc development aid package. Meanwhile, Germany will provide 50 million German marks in aid; and Belgium $10 million in aid annually, despite being a small country. Great Britain has also provided Vietnam with technical aid worth 10 million pounds. Most importantly, the French, German, Belgian, and British Governments have pledged that they will ensure and encourage their business corporations to invest in Vietnam.

In the past, Vietnam has also developed ties with friendly countries, namely Cuba and other republics of the former Soviet Union. The recent visit to Cuba by our high-level party and government delegation led by Prime Minister Vo Van Kiet was also noteworthy. Our sentiment toward Cuba is pure, firm, and unswerving. In the face of the acute ordeals and difficulties befalling the Cuban people, the recent visit to this country by our high-level party and government delegation is yet another manifestation of our close ties.

While promoting diversified ties with various nations, Vietnam has strengthened its relations with the United States. It has shown goodwill and active cooperation with the United States to resolve the MIA issue. It has consistently treated the MIA issue as a purely humanitarian one. It has done its best to create favorable conditions for the United States to carry out activities related to the MIA issue, despite the fact that the consequences of the war in Vietnam are still immense.

Between July and August, many U.S. delegations, including representatives of the U.S. Administration, and American people visited Vietnam. These people have sympathized with Vietnam and adopted a positive attitude toward lifting the U.S. embargo on Vietnam. Prior to 14 September, the public paid keen interest on the issue. Generally speaking, although the public believes that the U.S. embargo has created some obstacles to Vietnam, the U.S. cannot block the development of economic and business cooperation between Vietnam and other countries. Sooner or later, the normalization of ties with the United States will be attained. However, the sooner this can be achieved, the better it will be for the two countries and will meet the aspirations of the Vietnamese and American peoples as well as other peoples of the world.

Dear comrades and friends, in reviewing Vietnam's positive foreign activities to contribute to peace, friendship, development, and cooperation in the past, we have realized the great potential in the open-door foreign policy set by the Seventh CPV Congress. Obviously, it is advancing by adopting this policy, as it implements the renovation along the socialist orientation.

At present, Vietnam has reached a juncture with many good opportunities as well as ordeals. Its positive foreign activities, past and present, as well as its national construction and defense efforts have testified that the Vietnamese party, state, and people are determined to overcome all ordeals and to struggle under all circumstances to build Vietnam into a prosperous, powerful, and civilized nation. This is being done so that it will score new achievements in times of peace to match those attained in the past struggles for national liberation. Thus it will be worthy of the confidence and aspiration of our friends around the world.

Activities Commemorate DPRK National Day

DPRK Envoy Holds News Conference

BK0409151593 Hanoi VNA in English 1448 GMT 4 Sep 93

[Text] Hanoi VNA Sept. 4—Ambassador Han Min-chol of the Democratic People's Republic of Korea (DPRK) held a press conference here this afternoon on the occasion of the 45th National Day of the DPRK (Sept.9).

The DPRK diplomat brought out the significance of this glorious day and the DPR Korean people's achievements in national construction and defence in the past 45 years. He noted that annual industrial output value has been at 16 percent over 40 years now, education and healthcare have been subsidied by the state.

He took this opportunity to express thanks to the Vietnamese Communist Party, government and people for their solidarity with the DPR Korean people in the just struggle for the success of socialist building and for a sovereign, peaceful, and unified fatherland. He also wished the Vietnamese people more and bigger achievements in building a prosperous country.

Pham The Duyet Attends Celebration

BK0909063193 Hanoi VNA in English 0609 GMT 9 Sep 93

[Text] Hanoi VNA September 9—Ambassador Han Min-chol of the Democratic People's Republic of Korea (DRPK) on September 8 gave a reception here on the occasion of the 45th National Day of the DRPK (Sept.9).

Among his guests were Pham The Duyet, Politburo member of the Central Committee of the Communist Party of Vietnam; Tran Hoan, minister of culture and information; Le Mai, deputy foreign minister; and many representatives of the offices concerned.

Belgian Development Secretary Derijdke Visits

Extends Women's Programs Aid

BK0609071393 Hanoi VNA in English 0654 GMT 6 Sep 93

[Text] Hanoi VNA Sep.6—The Belgian Government has decided to grant 12 million bf [Belgian francs] (about 350,000 U.S. dollars) to help in a United Nations Population Agency project called 'Support to Population Activities of the Women Union's Commune-based Women's Groups'.

The announcement came on the eve of Belgian State Secretary for Development Cooperation Erick Derijdke's visit to Vietnam.

'This new Belgian effort,' said the Belgian Embassy in Ha Ti, 'underlines Belgium's true concern with the social dimension of Vietnam's development and the prominent role it wishes women to play in the improvement of the living standard of the people'.

Belgian State Secretary Derijdke will be accompanied by a six-member delegation of high-ranking officials and will stay from Monday to Saturday.

He will take stock of the on-going preparations for a 12 million dollars ODA [Official Development Assistance] progamme concentrating on health, transport, energy, education, agriculture and institution building.

Belgium resumed official aid to Vietnam last year when a first agreement was signed on the reduction, by roughly 23 million dollars, of Vietnam's debt towards Belgium.

Debt Relief Agreement Signed

BK0709143593 Hanoi VNA in English 1412 GMT 7 Sep 93

[Text] Hanoi VNA Sept. 7—A special agreement on debt relief was signed here this afternoon between Vietnam and Belgium.

Signatories to the agreement were, on the Vietnamese side, Ho Te, minister of finance, and on the Belgian side, Eric Deryd ke, Belgian state secretary for development cooperation, who is heading a six-member delegation of high-ranking officials for a visit to Vietnam from Sept. 6-11.

Before signing the agreement, which also provides for the financing of social projects, Ho Te and Eric Derydke held talks on issues relating to finance, economy and cooperation between the two countries.

Yesterday morning, Vietnamese Vice-Minister of Finance Pham Van Trong and Belgian Ambassador Piet Steel signed an agreement on debt arrangement.

Belgium resumed its official aid to Vietnam in October last year when a first agreement was signed on the reduction of Vietnam's debt towards Belgium.

Human Rights Package Signed

LD0809110093 Brussels Radio Vlaanderen International in English 0900 GMT 8 Sep 93

[Text] Belgium agreed on Tuesday to cut 350 million Belgian francs, $10.3 million, from Vietnam's debt. In a separate accord, Vietnam agreed to a human rights clause for the first time in a cooperation pack. The debt relief agreement was similar to one last year under which Belgium scrapped 750 million francs, $22.2 million, off Vietnam's $66 million government-guaranteed commercial debt to Belgium.

The agreement was signed by the Vietnamese Finance Minister, Mr. Ho Te, and Belgium's State Secretary for Development Cooperation, Mr. Eric Derydke, who is on a week-long visit to Vietnam. Mr. Derydke also signed a memorandum of understanding providing a framework for Belgian Government aid totalling 450 million francs, $13.6 million, over the next three years in energy, health, agriculture, and transportation. Cooperation will be based on respect for human rights and democratic principles.

President Grants Special Amnesty to Prisoners

BK0409074793 Hanoi VNA in English 0705 GMT 4 Sep 93

[Text] Hanoi VNA Sept. 4—President Le Duc Anh on Wednesday decided to grant amnesty for convicts who have proved by concrete deeds that they sincerely want to amend their lives and for those who are too old or too sick.

The decision was taken in connection with the National Day on Thursday.

To be eligible, persons sentenced to up to 20 years should have served one-third of their terms.

As for lifers, detention for a minimum of 10 years is required before they can be considered for amnesty.

Australia

Canberra Consults Commonwealth on South Africa

BK0809022293 Melbourne Radio Australia in English 0500 GMT 8 Sep 93

[Text] Australia says it's conferring with a number of colleagues in the Commonwealth group of nations about developments in South Africa. A spokesperson for Foreign Minister Senator Gareth Evans says they've been trying to reach a consensus on how to react to the agreement to establish a transitional executive council.

Australia and other members of the Commonwealth have already lifted sanctions on people-to-people contacts with South Africa, including cultural and scientific ties as well as sporting and aviation links. However, Commonwealth trade, investment, and financial sanctions and an arms embargo are still in place.

Commentary on Defense Cuts, Naval Base Closures

BK0209125793 Sydney THE AUSTRALIAN in English 18 Aug 93 p 20

[Commentary by Cameron Stewart, defense writer, entitled: "Naval bases to close in worst cuts for a decade"]

[Text] Multimillion-dollar defense purchases will be deferred or canceled, naval bases closed, and troop cuts brought forward following a hefty 0.75 percent real cut in the defense budget to $9.78 billion in 1993-94. The cuts are part of a four-year-plan to slash $237 million or about 2.7 percent in real terms from defense during the next four years—the heaviest defense cuts in more than a decade. The cuts mean the government will be unable to meet even its modified target of achieving 75 percent of the defense equipment targets of the 1987 White Paper.

The funding cuts mean it may only be able to achieve about 60 percent of the aims of the White Paper by the end of the century—a level that will raise serious questions about the self-sufficiency of the Australian Defense Force [ADF]. The cuts have forced the government to cancel plans to construct a helicopter support ship to increase the ADF's ability to respond to sudden contingencies in our region. The ADF has also deferred several key projects, including the acquisition of light-armoured vehicles, to enhance infantry mobility in Northern Australia, and the purchase of electronic support and infrared radar for the navy's Seahawk helicopters. Funding restrictions will force the closure of naval establishments at Brisbane—HMAS Moreton, Hobart—HMAS Huon, and Adelaide—HMAS Encounter. The minister for defense, Senator Ray, said the closures were regrettable, but in the present fiscal climate it was important defense resources were directed primarily towards maintaining combat forces. Senator Ray said that despite the cuts, the budget was adequate to maintain a credible defense force. But he warned that all aspects of defense would be closely monitored to ensure they provided value for money. "Current defense activities and investment in future capabilities are continuing at levels which will ensure the maintenance of a credible and effective defense force," he said. Increasing efficiency gains from initiatives such as the Force Structure Review and the Commercial Support Program will ensure that key defense objectives continue to be met: these defense guidance reductions mean we will have to be rigorous in examining each and every program to ensure its effectiveness," Senator Ray said.

The defense budget will fall by 0.75 percen, or about $72 million, in real terms this financial year to be followed by further cuts of 0.5 percent in real terms in each of the following three years. The impact of the reduction will be partially offset by the removal of the requirements to pay $17.9 million in 1994-95 and $53.3 million in 1995-96 for funds advanced to defense last financial year in support of employment and infrastructure initiatives. Taken together, defense outlays will fall by $237 million during the four-year forward estimate period. It is planned that defense outlays would be maintained in real terms from 1997-98. The 1993-94 defense budget allocation of $9.78 billion represents 2.3 percent of GDP and 8.5 percent of total government outlays. It is planned that the number of regular ADF members will fall by almost 4,000 to 61,241 in the current financial year as part of the cuts outlined in the 1991 Force Structure Review. This represents the bringing forward of cuts of almost 1,400 in ADF personnel that had originally been planned for later in the decade.

Despite this, personnel and retirement benefit costs will jump by 2.6 percent to $3.95 billion in 1993-94 because of the full year effects of pay increases granted in 1992-93 and provision for the anticipated cost of workplace bargaining arrangements in defense. Despite the cutbacks in defense, an extra $30 million will be allocated for new equipment. An extra $118 million will be spent on the ANZAC frigate project in 1992-93, making it the year's most expensive capital equipment project, costing $540.1 million. The Collins class submarine construction project will soak up $504 million this financial year compared with $704 million in 1992-93. The Government has also approved new capital facilities project totalling $148 million—$35 million spent in 1993-94, including the further development of HMAS Sterling in Western Australia and redevelopment work at HMAS Cerberus and RAAF Williams in Victoria.